



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

**AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, JUNE 23, 2004
12:00 NOON
3401-05 VIA DOLCE AVE.
MARINA DEL REY, CALIFORNIA 90292
(323) 650-3090**

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1. **Call to Order:**
2. **Roll Call:**

Treneatra Farmer, Chair
Henry Porter, Vice-Chair
Chris Amegatcher
Severyn Aszkenazy
Phillip Dauk
Lynn Caffrey Gabriel
Sharon M.Y. Lowe
Felicia Mollinedo
Andrew Nguyen

3. **Reading and Approval of the Minutes of the Previous Meeting:**

Regular Meeting of May 19, 2004.
4. **Report of the Executive Director**
5. **Presentation on Service Learning Program – Esther Keosababian**
6. **Presentation on Tenant and Owner in the Participation Housing Choice Voucher Program. – Diana Nicolaw**
7. **Discussion on Excessive Heat and Civil Liberties in Nueva Maravilla Units – Maria Badrakhan**
8. **Public Comments: The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.**

Regular Agenda

9. Approve Construction Contract for Exterior Door Replacement at the Woodcrest I & II Housing Developments in the Unincorporated Area of South Los Angeles

Recommendation: Approve and authorize the Executive Director of the Housing Authority to Execute a Construction Contract with CAS General Contractor, to remove and replace the exterior doors at the above sites, to be effective upon execution by all parties, which will not exceed 30 days following the date of Board approval. Authorize the Executive Director to use \$62,860 in Community Development Block Grant (CDBG) funds allocated to the Second Supervisorial District for the purposes described above. A 20% contingency, in the amount of \$12,572, is also bring set aside for unforeseen project costs using the same source of funds, also included in the Housing Authority's Fiscal Year 2004-2005 approved budget. (APPROVE)

10. Accept Resident Opportunities and Self-Sufficiency Resident Service Delivery Models Program Funds from the U.S. Department of Housing and Urban Development

Recommendation: Authorize the Executive Director to accept from the U.S. Department of Housing and Urban Development (HUD) a \$300,000 grant of Resident Opportunities and Self-Sufficiency Resident Service Delivery Models Program (ROSS Program) funds to implement a three-year supportive services program to promote independent living for up to 1,364 elderly and disabled persons who reside at 12 conventional public housing sites. (APPROVE)

11. Approve Mechanical Engineering Services Contract for Natural as Pipeline Replacement at the Carmelitos Housing Development

Recommendation: Find that the design and engineering phase of the natural gas pipeline replacement project for the Carmelitos housing development, located at 1000 Via Wanda in the City of Long Beach is exempt from the California Environmental Quality Act (CEQA). Approve the award of a two-year Mechanical Engineering Services Contract between the Housing Authority and Dahl, Taylor & Associates, Inc. (the Consultant) to complete analysis and engineering, prepare plans and specifications, and perform other related work for the project described herein; authorize the Executive Director to use for this purpose \$66,000 in Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD). (APPROVE)

12. Approve Resolution to Merge and Amend the Housing Authority and Community Housing Development

Recommendation: Recognize the nine employees of the Housing Authority as employees of the Community Development Commission, effective June 30, 2004; and adopt and instruct the Chairman to sign a Resolution authorizing the merger of the California Public Employees' Retirement System (CalPERS)

pension plan of the Housing Authority with the CalPERS pension plan of the Community Development Commission, effective July 1, 2004.
(APPROVE)

13. Approve Changes to the Administrative Plan of the Housing Authority of the County of Los Angeles.

Recommendation: Approve and authorize the Executive Director to implement changes to the Housing Authority's Administrative Plan, which will reduce Section 8 payments to landlords, change the method of determining rent reasonableness and increase fraud prevention measures, all of which are required due to a reduction in funding from the U.S. Department of Housing and Urban Development (HUD). (APPROVE)

14. Housing Commissioner Comments and Recommendations for Future Agenda Items. Housing Commissioners may provide comments or suggestions for future agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the above address. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or by e-mail at Marisol.Ramirez@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

MINUTES FOR THE REGULAR MEETING OF THE

LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, May 19, 2004

The meeting was convened at the Housing Authority office located at 12131 Telegraph Road, Santa Fe Springs.

Digest of the meeting. The minutes are being reported seriatim. A taped record is on file in the central office of the Housing Authority.

The meeting was called to order by Chair Treneatra Farmer at 12:12 p.m.

ROLL CALL	<u>Present</u>	<u>Absent</u>
Chris Amegatcher	X	
Severyn Aszkenazy		X
Phillip Dauk		X
Treneatra Farmer	X	
Lynn Caffrey Gabriel	X	
Sharon M.Y. Lowe	X	
Felicia Mollinedo	X	
Andrew Nguyen	X	
Henry Porter, Jr.	X	

Commissioner Chris Amegatcher arrived at 1:00 pm. Commissioner Felicia Mollinedo arrived at 1:30 pm.

PARTIAL LIST OF STAFF PRESENT:

Bobbette Glover, Assistant Executive Director
Marie Quon-Hom, Assistant Director, Assisted Housing Division
Maria Badrakhan, Director, Housing Management Division
Emilio Salas, Director, Administrative Services
Esther Keosababian, Assistant Director, Housing Management
Kevin Fulton, Manager, Housing Management Division
Arlene Black, Manager, Housing Management Division
Jim Becker, Manager, Assisted Housing Division
Carolina Romo, Manager, Housing Management Division
Geoffery Siebens, Manager, Construction Management Division
Richard Peters, Manager, Financial Management Division
Ben Martinez, Manager, Central Services

PARTIAL LIST OF GUESTS PRESENT:

Rick Velasquez, Assistant Chief Deputy, Fourth Supervisorial District

Reading and Approval of the Minutes of the Previous Meeting

On Motion By Commissioner Porter, seconded by Commissioner Lowe, the Minutes of the Regular Meeting of April 28, 2004, were approved.

Agenda Item No. 4 - Report of the Executive Director

This report was presented by Bobbette Glover with staff participation.

Bobbette Glover invited the Commissioners to attend the Housing Authority's Annual Donors Breakfast on May 20, 2004 at Carmelitos. The event acknowledges the contributions of donors to improve the lives of public housing residents, including providing donations of furniture, computer software and other goods and services.

Commissioner Amegatcher raised concerns about excessive heat in the housing units at Nueva Maravilla, as well as tenant rights and civil liberties. Commissioner Lowe also requested clarification on the civil rights issue. Mark Steres, Housing Authority Attorney, will be asked to attend the next Housing Commission meeting to address these concerns.

Commissioner Porter requested a follow-up on carbon monoxide detector installations. A staff report will be provided at the next meeting.

Bobbette Glover introduced Rick Velasquez, Assistant Chief Deputy to Supervisor Knabe.

Bobbette Glover distributed a memo to the Commissioners regarding proposed HUD funding reductions for Fiscal Year 2004-2005, particularly for administrative fees and landlord payments. Staff will prepare an analysis of the funding reductions and provide recommendations for the Board regarding appropriate actions to be taken.

Commissioner Gabriel expressed a concern about clients being able to easily reach the office in Santa Fe Springs. The Housing Authority provides written directions, and there is also ample public transportation available.

Bobbette Glover advised that a \$300,000 Resident Opportunities and Self-Sufficiency (ROSS) Program grant has been received. The grant provides funding for services to seniors and the disabled to improve the quality of life and promote independent living. The grant request was initially denied, but due to staff persistence HUD's error in scoring the application was revealed, and a grant has now been awarded to the Housing Authority.

Bobbette Glover advised that a \$135,000 Productivity Investment Fund (PIF) grant has been received from the County. The funds will be used to hire facilitators to coordinate Service Learning Center Program activities and to pay for a program assessment.

Agenda Item No. 5 – Staff Presentation: Quarterly Construction Contracts Status Report

Geoffrey Siebens presented the Quarterly Construction Status Report. Commissioner Lowe inquired about accommodations for residents during kitchen cabinet replacement at Westknoll, and tub replacement at Harbor Hills. Westknoll residents will have access to a hospitality room, and Harbor Hills residents will have access to portable showers.

Agenda Item No. 6 – Public Comments

No members of the public were in attendance.

Regular Agenda

On Motion by Commissioner Lowe, seconded by Commissioner Porter and unanimously carried, the following was approved by the Housing Commission:

**APPROVE INCORPORATION OF ADDITIONAL FUNDS INTO THE HOUSING
AUTHORITY'S FISCAL YEAR 2003-2004 BUDGET
AGENDA ITEM NO. 7**

1. Recommend that the Board of Commissioners authorize the Executive Director to incorporate into the Housing Authority's Fiscal Year 2003-2004 budget additional Section 8 Housing Choice Voucher Program funds, currently estimated at \$24,000,000, which will be received from the U.S. Department of Housing and Urban Development (HUD) to fund rental subsidy payments.
2. Recommend that the Board of Commissioners authorize the Executive Director to take any and all actions required to receive the above funds.

Prior to Approval

Commissioner Lowe requested an analysis of the proposed use of the estimated \$24,000,000 in additional funds for Fiscal Year 2003-2004.

On Motion by Commissioner Porter, seconded by Commissioner Lowe and unanimously carried, the following was approved by the Housing Commission:

**CONSTRUCTION CONTRACT FOR ROOFING REPLACEMENT AT THREE
HOUSING DEVELOPMENTS IN THE CITY OF SANTA MONICA
AGENDA ITEM NO. 8**

1. Recommend that the Board of Commissioners find that roofing replacement at three family housing developments, located at 1855 9th Street, 1450 14th Street, and 2006 20th Street in the City of Santa Monica, is exempt from the California Environmental Quality Act (CEQA), as described herein, because the proposed work, with mitigation measures, will not have the potential for

causing a significant effect on the environment because it involves negligible or no expansion of use beyond what currently exists.

2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority to execute a Construction Contract with Cooper Roofing Services, Inc., in the amount of \$87,777.77 to remove and replace the roofing at the above sites, to be effective after issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to use \$87,777.77 in Rental Housing Construction Program (RHCP) Annuity Funds allocated by the State of California, and included in the Housing Authority's Fiscal Year 2004-2005 budget, for the purposes described above.
4. Recommend that the Board of Commissioners authorize the Executive Director to approve contract change orders for unforeseen project costs, and to use for this purpose a maximum of \$17,556 in RHCP Annuity Funds, which is also included in the Housing Authority's Fiscal Year 2004-2005 budget.

On Motion by Commissioner Lowe, seconded by Commissioner Porter and unanimously carried, the following was approved by the Housing Commission:

**APPROVE PURCHASE OF PROPERTY INSURANCE, EXCESS WORKERS'
COMPENSATION AND EXCESS GENERAL AND AUTOMOBILE LIABILITY
INSURANCE FOR THE COMMUNITY DEVELOPMENT COMMISSION AND
HOUSING AUTHORITY
AGENDA ITEM NO. 9**

1. Recommend that the Board of Commissioners approve the combined purchase, with the Community Development Commission, of property insurance, excess workers' compensation insurance and excess general and automobile liability insurance, at an approximate premium cost not exceeding \$1,200,000, for the period from July 1, 2004 to June 30, 2005, through the Housing Authority and Commission's insurance broker, Driver Alliant Insurance Services, Inc.
2. Recommend that the Board of Commissioners authorize the Executive Director to purchase the property insurance, excess workers' compensation insurance and excess general and automobile liability insurance and to make payments, as needed, for workers' compensation and general liability claims, using funds contained in the approved 2004-2005 Fiscal Year budget.

On Motion by Commissioner Amegatcher, seconded by Commissioner Porter and unanimously carried, the following was approved by the Housing Commission:

**APPROVE SUPPORT AND CONSULTING SERVICES AGREEMENTS FOR
UPGRADE OF THE HOUSING AUTHORITY'S NETWORK INFRASTRUCTURE
AGENDA ITEM NO. 10**

1. Recommend that the Board of Commissioners find that the Support and Consulting Services Agreements, and the purchase of servers and personal computers are exempt from the California Environmental Quality Act (CEQA), as described herein, because the proposed Agreements will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority to execute a one-year Support Services Agreement with En Pointe Technologies Sales, Inc., in substantially the form of the attached, to design and install a network power supply solution, at a cost of \$116,658.47, to be effective following approval as to form by County Counsel and execution by all parties.
3. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute a one-year Consulting Services Agreement with CompuCom Systems, Inc., in substantially the form of the attached, to design and install a network disaster recovery solution, at a cost of \$366,159.08, to be effective following approval as to form by County Counsel and execution by all parties.
4. Recommend that the Board of Commissioners authorize the Executive Director to approve two purchase order requisitions for the procurement from Dell Computers, Corp. of eight servers, at a cost of \$135,835.91, and 180 personal computers, at a cost of \$133,628.13.
5. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$752,281.59 in Section 8 Administrative Fees allocated by the U.S. Department of Housing and Urban Development (HUD) for the purposes described above and to incorporate these funds into the Housing Authority's Fiscal Year 2003-2004 approved budget.
6. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Support Services and Consulting Agreements, following approval as to form by County Counsel, to increase the contract sum to include any unforeseen services and equipment that may be required and to use for this purpose an aggregate maximum amount of \$96,563.51, comprised of \$23,331.69 for the Support Services Agreement with En Pointe Technologies Sales, Inc. and \$73,231.82 for the Consulting Services Agreement with CompuCom Systems, Inc., using the source of funds described above; and authorize the Executive Director to incorporate these funds into the Housing Authority's Fiscal Year 2003-2004 approved budget.

On Motion by Commissioner Porter, seconded by Commissioner Lowe and unanimously carried, the following was approved by the Housing Commission:

**RESOLUTIONS APPROVING AND AUTHORIZING THE ISSUANCE OF
MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS FOR HARMONY CREEK
SENIOR HOUSING IN UNINCORPORATED HACIENDA HEIGHTS
AGENDA ITEM NO. 11**

1. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a Resolution, as required under Section 34350.5 of the Health and Safety Code of the State of California, authorizing the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority of the County of Los Angeles, in an amount not exceeding \$6,000,000, to Hacienda Senior Partners, L.P. (the Developer) to finance the site acquisition and construction of Harmony Creek Senior Housing, a 75-unit affordable senior rental development to be located at 15554 Gale Avenue, in unincorporated Hacienda Heights.
2. Recommend that the Board of Commissioners authorize the Executive Director to execute all related documents, following approval as to form by County Counsel, and to take all necessary actions to finance acquisition and construction of Harmony Creek Senior Housing.

On Motion by Commissioner Lowe, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:

**ADOPT RESOLUTIONS APPROVING ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS FOR SENIOR HOUSING DEVELOPMENT IN THE
CITY OF SAN FERNANDO
AGENDA ITEM NO. 12**

1. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a Resolution, as required under Section 1.142-4 and 1.150-2 of the Treasury Regulations, declaring an intent by Aszkenazy Development, Inc. (the Developer), to undertake financing, in an amount not exceeding \$5,600,000, to finance the site acquisition and construction of San Fernando Senior Housing, a 98-unit affordable senior rental housing development to be located at three sites, known as the Las Palmas I, Las Palmas II, and Park Avenue parcels, in the City of San Fernando.
2. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$5,600,000, for the purposes described herein.

Prior to Approval

Commissioner Lowe requested that the bond documents clarify that the minimum federal requirement of 55 years for project affordability may be subject to change, depending on the funding source. This will be clarified in the attachments.

On Motion by Commissioner Lowe, seconded by Commissioner Porter and unanimously carried, the following was approved by the Housing Commission:

APPROVE CHANGES TO THE COMMUNITY DEVELOPMENT COMMISSION'S
DEFERRED COMPENSATION PLAN
AGENDA ITEM NO. 13

1. Recommend that the Board of Commissioners approve the Community Development Commission's restated 457 Deferred Compensation Plan & Trust (Plan) administered by ICMA Retirement Corporation.
2. Recommend that the Board of Commissioners approve changes to the Commission's 457 Deferred Compensation Plan vesting schedule, making the employer matching contribution fully vested at the time of contribution to each employee's account, effective upon Board approval.

On Motion by Commissioner Amegatcher, seconded by Commissioner Porter and unanimously carried, the following was approved by the Housing Commission:

APPROVE FUNDING FOR HOUSING AUTHORITY PROJECTS WITH COMMUNITY
DEVELOPMENT BLOCK GRANT FUNDS
AGENDA ITEM NO.14

1. Recommend that the Board of Commissioners approve a Community Development Block Grant (CDBG) Reimbursable Contract with the County of Los Angeles, presented in the form of the attached, to replace exterior doors at the Woodcrest I and II housing developments, using \$96,000 in CDBG funds allocated to the Second Supervisorial District, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2005.
2. Recommend that the Board of Commissioners approve a CDBG Reimbursable Contract with the County of Los Angeles, presented in the form of the attached, to replace heaters at the Woodcrest I and II housing developments, using \$30,000 in CDBG funds allocated to the Second Supervisorial District, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2004.
3. Recommend that the Board of Commissioners approve a CDBG Reimbursable Contract with the County of Los Angeles, presented in the form of the attached, to replace the pedestrian gate entry intercoms at four South Scattered Sites housing developments, using \$16,000 in CDBG funds allocated to the Second

Supervisory District, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2004.

4. Recommend that the Board of Commissioners approve a CDBG Reimbursable Contract with the County of Los Angeles, presented in the form of the attached, to replace the vehicle slide gate operators at four South Scattered Sites housing developments, using \$8,000 in CDBG funds allocated to the Second Supervisory District, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2004.
5. Recommend that the Board of Commissioners approve a CDBG Reimbursable Contract with the County of Los Angeles, presented in the form of the attached, to replace one parking lot at the Nueva Maravilla housing development, using \$274,680 in CDBG funds allocated to the Countywide funding pool, to be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2005.
6. Recommend that the Board of Commissioners instruct the Executive Director of the Housing Authority to execute the above CDBG Reimbursable Contracts.

Prior to Approval

Bobbette Glover announced a correction to the original language of Recommendation No. 5 above. The project description should read "one parking lot" and reference to a fire lane replacement should be deleted.

Commissioner Amegatcher expressed concern about tree roots damaging the asphalt at Nueva Maravilla. Maria Badrakhan responded that staff is working on an irrigation contract for the entire site, and at that time the condition of existing trees will be evaluated.

Commissioner Porter suggested that when doing utility replacement work or landscaping at various sites staff should inspect the condition of utility lines so that any necessary work can be done at that time, as well as the replacement of existing trees with environmentally appropriate plantings. Commissioner Porter also indicated that tenants should be responsible for replacement costs when they damage Housing Authority property. Carolina Romo responded that tenants are assessed damage fees when warranted.

Agenda Item No. 15 – Workshop: Housing Authority Procurement Process

Ben Martinez and Humberto Barboza provided a presentation on the procurement and contracting process.

Commissioner Lowe inquired about whether the GAIN Program, which is administered by the County, actually helps low-income persons obtain trade skills, and not just employment as laborers. Bobbette Glover will check with the County Department of Public Social Services regarding whether they have a trade skills training program. The Housing Authority does not administer such a training program.


Agenda Item No. 16 - Housing Commissioner Comments and Recommendations for Future Agenda Items

Commissioner Lowe requested the following information on the Housing Choice Voucher Program: a report on steps that can be taken to streamline and improve the efficiency of housing unit inspections; monthly reports on how many units fail inspection and total turn around time, and how many times units must be re-inspected before they pass inspection; and how many Project-Based units are at risk of removal from the current housing inventory.

Commissioner Mollinedo requested a report on tenant and owner participation in the Housing Choice Voucher Program.

The next scheduled meeting of the Housing Commission will be held at 3401-05 Via Dolce Ave., Marina del Rey, 90292 on Wednesday, June 23, 2004 at Noon.

On Motion by Commissioner Porter, the Regular Meeting of May 19, 2004, was adjourned at 3:00 p.m.


for CARLOS JACKSON
Secretary - Treasurer

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

June 17, 2004

TO: Housing Commissioners
FROM:  Bobbette Glover, Assistant Executive Director

SUBJECT: HARMONY CREEK SENIOR HOUSING

The purpose of this memo is to advise you of an increase in costs for development of Harmony Creek Senior Housing that occurred between the time the Housing Commission approved the inducement Resolution for this project and subsequent approval of the issuance of Multifamily Mortgage Revenue Bonds on May 19, 2004.

On November 19, 2003, the Housing Commission approved and recommended adoption by the Board of Commissioners of a Resolution declaring the intent of the Housing Authority to undertake financing for the project through a bond issue not exceeding \$5.5 million. Subsequently, project costs increased to \$6 million due to increases in the cost of construction materials, primarily lumber and steel. A new TEFRA hearing was held on June 4, 2004, publicizing the increased allocation, and there were no public comments.

The May 19th actions of the Housing Commission reflect the correct amount of \$6 million for this bond issue.

Please feel free to call me at (323) 890-7230 if you have any questions.

BG:ajm:harmonycreek

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

June 17, 2004

TO: Housing Commissioners
FROM: Bobbette Glover, Assistant Executive Director

SUBJECT: SAN FERNANDO SENIOR HOUSING

On May 19, 2004, the Housing Commission approved and recommended adoption by the Board of Commissioners of a Resolution declaring the intent of the Housing Authority to undertake financing of San Fernando Senior Housing through the issuance of Multifamily Mortgage Revenue Bonds in an amount not exceeding \$5.6 million. Since then, construction costs have increased, resulting in an increase in the bond request from \$5.6 million to \$6.6 million.

On June 11, 2004, the national day of mourning, a TEFRA hearing was held in accordance with the published notices to advise the public of the increase and receive comments. On the advice of Bond Counsel, a notice was posted at the hearing location informing the public that comments would also be received on the following Monday, June 14. No public comments were received on either day.

On June 15, 2004, the Board of Commissioners approved the intent to issue the bonds in an amount not exceeding \$6.6 million, and authorized submission of an application to CDLAC for the same amount. When the Housing Authority is ready to proceed with the issue, this matter will be returned to the Housing Commission for final approval.

Please feel free to call me at (323) 890-7230 if you have any questions.

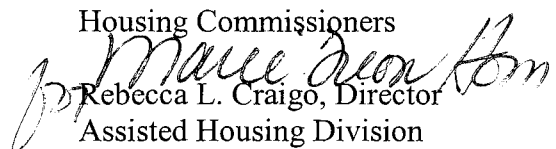
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Housing Authority - County of Los Angeles

June 23, 2004

FOR YOUR INFORMATION ONLY

TO: Housing Commissioners

FROM:  Rebecca L. Craig, Director
Assisted Housing Division

SUBJECT: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM

FSS Program Update

As part of a strategic program outreach, FSS staff participated in two Housing Authority County of Los Angeles' (HACoLA) Tenant Workshops held on May 13 and May 27, 2004. FSS staff presented the program to a total of 36 Section 8 Housing Choice Voucher participants who attended the workshops. FSS staff received four enrollment applications as a result of this presentation.

This month, FSS staff scheduled individual appointments with participants to review their participation in the FSS program and assist them with meeting their goals. FSS met with participants to promote their individual achievements, graduation/extension requests, reimbursements/scholarships, escrow account summaries, home ownership counseling, and job search assistance. FSS received four new graduation requests that were processed and approved for the month of June. Three FSS scholarships/reimbursements were awarded.

On May 20, 2004, FSS staff participated in the *Partner's for Progress Community Job Fair* held at the Community Resource Center on 10750 Laurel Avenue, in the City of Whittier. The event was host to 27 employers and 312 job seekers. Workshops on Internet Job Searching and Interview Techniques were also provided to job seekers.

Graduations

This month FSS did not have any new graduates. The total number of graduates remains at 115.

If you have any questions, please call me at (562) 347-4880.

RLC:MF:CL:dt
Commissionreport05.04

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

June 18, 2004

TO: Each Supervisor

FROM: Carlos Jackson, Executive Director

SUBJECT: **PROPOSED CHANGES TO SECTION 8 HOUSING CHOICE VOUCHER PROGRAM**

On June 1st your Board approved the CDC/HA 2004-05 budget, and also approved a motion opposing the proposed federal budget cut of \$1.9 billion nationwide from the Section 8 Housing Choice Voucher program. In the previous two months we advised your office that HUD's action would seriously affect the Section 8 program. These changes not only affect the County housing authority, but all housing authorities across the nation. Several recent newspaper articles describing the drastic cost-cutting measures being taken by the cities of Los Angeles and Long Beach document this.

In a memorandum dated May 17th, we advised you that we were working to analyze the impact of HUD's budget reduction. Their change in funding methodology will mean substantially less funding available for housing assistance payments (HAP) to landlords and for administration of the Section 8 program.

Although we are still awaiting final information from HUD, we have estimated the HAP shortfall for fiscal years 2003-04 and 2004-05 combined will be \$7.5 million. In addition we anticipate a two-year reduction of \$1.5 million in administrative funds. However, these amounts could significantly increase should our request for certain restoration of funding be denied by HUD. Due to the timing of the HUD notice and our fiscal year end of June 30, 2004, we have no option but to utilize the program operating reserves held by HUD to cover the deficit. For the coming fiscal year, the funding reduction will be covered by implementing program changes that will decrease the HAP and also deplete the remaining operating reserves.

In the Omnibus Bill, Congress authorized HUD to maintain a one-month program operating reserve level for housing authorities. Our average monthly HAP is \$13.6 million and the current reserve level is \$8.1 million. Clearly, this is well below where it should be. We have asked HUD to restore the program operating reserve to the appropriate level to ensure that there is support for future program costs. To date, there has been no response from HUD.

Recommendations

In order to reduce the projected loss of funds, we considered several major actions. Our primary concerns in implementing these changes are to minimize the impact on our Section 8 families and to avoid canceling existing vouchers and contracts. Our goal is to

preserve the favorable reputation of the County program with our landlords and to assist as many families as possible. Based on our recommended actions, tenants and landlords will share the financial impact of our proposed program changes.

We examined the demographic data of our Section 8 client base to ensure that our approach is the most reasonable with the least impact. Our 20,300 vouchers provide housing subsidies to 5,000 elderly and 15,300 family households. In total we serve 56,500 very-low income individuals. Households are expected to pay at least 30% of their adjusted monthly income (AMI) for rent. But due to regulatory and statutory exemptions and deductions, 88% of the households pay less than 30% of their AMI toward rent. With these proposed changes, 81% of households will pay on average 27% of their AMI for rent.

Four years ago we embarked upon a concentrated lease-up effort. For the last 3 years, our lease-up rate has averaged 98%. We modified the method of calculating rents, so that the Section 8 program would be competitive in the rental market. Contract rents are determined by averaging the three highest comparable rents obtained for a census tract. Our proposed action will average all the comparable rents within a census tract. The effect will be a lower rent for subsidized units.

It is mandatory that we take steps to reduce our operating costs. Therefore, we recommend that beginning August 1st the following changes be implemented:

- Tenants will be required to pay more of their income toward rent. This will occur if we change the payment standard from 110% of the fair market rent (FMR) to 100% of the FMR, and it would be only applicable to tenants with contract rents higher than the FMR (100%). By reducing the payment standard, the housing authority's monthly subsidy on behalf of the tenant is decreased. The rent to the landlords remains fixed. Because tenants must receive one-year notice of this proposed change, it will take two years to fully implement.
- Contract rents in some cases will be lowered using a more conservative calculation method. In various areas of our jurisdiction, a sample of rents within eight census tracts demonstrates that we will save money by basing contract rents on the average of all comparable units within a tract, instead of on the three highest rents. For example, three-bedroom rents for these tracts average \$254 higher using the current methodology. This will apply only to new contracts.
- Impose a minimum monthly rent of \$50, consistent with our policy for conventional public housing. This would be an increase for the 893 families who pay our current minimum rent of \$25. The minimum rent is the base from which allowable deductions are made for utilities, medical and other expenses permitted under the regulations. Consequently, some tenants pay no rent. In some cases we

issue checks to reimburse them for utilities. A minimum rent of \$50 establishes a higher base rent before deductions.

- Verify full-time student status by final grades. HUD requires housing authorities to exclude the employment income of family members who are 18 years of age or older, if they attend college or a vocational school. If students register but do not complete classes, families may owe money.

The copy of this memorandum provided to your deputies includes attachments with greater details about the recommendations and associated cost savings. Over the next week we will meet with them to discuss the changes and respond to questions, prior to seeking your Board's approval.

Outreach

It is important for our clients to understand that these program changes are necessary to address anticipated funding reductions. We have developed a strategy to convey this information to both the tenant and owner communities. The Resident Advisory Board (RAB) and Owners' Forum (an informal advisory body) will help us refine our strategy. We will communicate to our clients through meetings and direct mailing of letters and newsletters. Members of the Housing Commission will be requested to assist us, as well.

In anticipation of the volume of calls you may receive, we will provide your offices with a list of frequently asked questions (FAQs) and responses for your staff to use. We will be available to brief field office staff as needed.

Administrative Funding Shortfall

HUD allocates administrative funding for the Section 8 Program separately. On May 19th, HUD informed us of their intent to reduce our administrative fees back to January 1, 2004. The projected reduction in administrative funds for fiscal years 2003-04 and 2004-05 combined is a total of \$1.5 million. Again to reduce expenses, it will be necessary for to adjust staffing levels, which will impact our providing services to the public.

The budget cuts from HUD are based on the most recent information available, and may change again. We will contact your deputies to arrange for a briefing in the immediate future. If you have any questions, feel free to contact me or have your staff contact Bobbette Glover at (323) 890-7400.

CJ:BG:ajm:allsup

C: Housing Commission w/Attachment
 Each Deputy w/ Attachment

RECOMMENDATIONS

Reduce Payment Standard

Action: Reduce payment standard from 110% to 100% of the Fair Market Rent. This reduces the amount of housing assistance payment (HAP) or subsidy paid by the Housing Authority.

Example:

Effective 10/1/03	0	1	2	3	4	5	6
FMR's	\$674	\$807	\$1,021	\$1,378	\$1,646	\$1,892	\$2,139
Payment Standards	\$741	\$887	\$1,123	\$1,515	\$1,810	\$2,081	\$2,352

The following case studies reflect the impact on a hypothetical household with Payment Standards at, 100% and 110% of FMR.

Case Study A

Hypothetical Household with 2-bedroom Voucher
30% of Adjusted Monthly Income (AMI) = \$265

	100% of FMR	110% of FMR
Payment Stds	\$1,021	\$1,123
30% AMI	\$265	\$265
HAP	\$756*	\$858

*Difference in saving of \$102 monthly or \$1,224 annually.

Case Study B

Hypothetical Household with 3-bedroom Voucher
30% AMI = \$430

	100% of FMR	110% of FMR
Payment Stds	\$1,378	\$1,515
30% AMI	\$430	\$430
HAP	\$938*	\$1,085

*Difference in saving of \$147 monthly or \$1,764 annually.

Effective: Contracts and leases will be negotiated with the lower payment standard for new participants and for current participants moving to new units.

Impact on Tenants: Tenants are required to absorb the difference between the rent and the reduced subsidy amount. Currently, 88% of families pay 30% or less of their adjusted monthly income (AMI) toward rent. It is projected that at 100% of payment standard 81% of the families will pay on average 27% of their AMI toward rent.

Some tenants may not be able to absorb additional rent expense and may have to relocate to a new unit.

Impact on Owners: Owners will continue to receive same amount of rent.

Owners may lose tenants, if tenants cannot absorb additional rent.

Modify Methodology for Rent Reasonableness

Action: Establish rent by using the average of all comparable rents within a census tract. Currently, the unit rent is based on the three highest comparable rents with the tract.

Example: A sample of rents was reviewed within eight census tracts in the cities of Bellflower, Compton, Gardena, Lancaster, Los Angeles, Palmdale, Rosemead, and Whittier. The difference between the three highest average rents and the true average is listed below by bedroom size:

0-Bdrm	1-Bdrm	2-Bdrm	3-Bdrm	4-Bdrm
\$7	\$105	\$204	\$254	\$27

Effective: Contracts and leases will be negotiated with the lower payment standard for new participants and for current participants moving to new units

Impact on Tenants: May be forced to relocate, if owners will not accept the new lower rents.

Voucher holders may have difficulty locating "willing" owners.

Impact on Owners: Variance within a census tract may skew rent downward.

May not accept renegotiated contract/lease with lower rents.

May not opt to participate in the program, because unable to collect sufficient rent revenue.

Increase Minimum Rents

Action: Increase minimum monthly rent paid by tenant from \$25 to \$50. Currently, 893 families pay less than \$50 for rent. In addition 210 families pay no rent; two of them receive checks from the Housing Authority as utility reimbursements.

Effective: Upon Board of Supervisors approval of the Agency Plan, impose \$50 minimum rent at the time of annual re-examination.

Impact on Tenants: \$50 minimum rent may exceed 30% of family income.

Tenants may be unable to absorb rent increase.

Impact on Owners: None

Verify Student Status

Action: Require verification of full-time student status with final grades. Regardless of the amount, income earned by full-time students is excluded from total family income. School registration is submitted as proof, but student status is not verified by final grades.

Effective: Upon cancellation, contracts/leases will be modified to include this new requirement.

Impact on Tenants: Tenants will pay more rent.

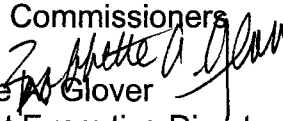
May not be able to absorb additional rent.

Impact on Owners: None

Housing Authority - County of Los Angeles

June 18, 2004

FOR YOUR INFORMATION ONLY

TO: Housing Commissioners
FROM: Bobbette W. Glover 
Assistant Executive Director

SUBJECT: INSTALLATION OF CARBON MONOXIDE DETECTORS IN PUBLIC HOUSING

This is to provide you with the status on the actions taken by the Housing Authority subsequent to the December 13, 2002 memorandum to the Board of Supervisors.

Carbon Monoxide Detectors Cost and Installation Time Frame

At no cost to the Housing Authority, carbon monoxide detectors have been installed in 58 units at the South Bay Gardens senior housing development through the Pacific Asian Consortium in Employment (PACE), a non-profit agency. We will procure a consultant to determine the feasibility of installing the detectors in the hallways near the bedrooms in each separate sleeping area at all of our housing sites.

Preventive Maintenance Measures

Currently our maintenance staff performs quarterly building systems inspections in the common areas. Bi-annually, our maintenance staff inspects the individual units and, if a problem is suspected, upon request, the Gas Company will send a technician to any housing site to inspect the fuel-burning units.

A new fire alarm system will be installed at the Marina Manor senior housing development. Procurement is being conducted for a fire systems' consultant to prepare specification for the system. The consultant will also determine the feasibility and consequences of installing a carbon monoxide detection system.

Furnace Replacement

Furnaces equipped with a carbon monoxide shut-off device have been installed at our Woodcrest housing development. We are in the process of purchasing 1,153 furnaces with carbon monoxide shut off devices, to be installed at Harbor Hills, Foothill Villa, Carmelitos, and Orchard Arms. Bids will be requested separately for the installation of the furnaces, and we are anticipating beginning the installation in October, 2004.

The installation of furnaces at our remaining housing developments will be included in our Capital Fund Program's Five-Year Plan and will be installed over the course of the

Accord Reached on High School for East L.A.

5/22/04

FOR YOUR INFORMATION ONLY

Proposal aims to ease the enrollment burden at Garfield. It involves building on the site of an elementary campus.

By CARA MIA DIMASSA
Times Staff Writer

For several years, educators and civic leaders have struggled to come up with a plan to build a new high school in East Los Angeles to take some of the enrollment burden from overcrowded Garfield High. A previous plan died amid political squabbles, public relations blunders and a dispute over location.

But on Friday, community leaders and Los Angeles Unified School District officials stood on the steps outside Garfield and announced they had agreed on an innovative solution to the complex problem of building a 2,300-student high school in unincorporated East Los Angeles.

The plan involves building the school on the site of what is now Hammel Street Elementary, an aging facility badly in need of repair, and rebuilding Hammel about a quarter of a mile away on the site of the Eastside Learning Center, an adult school that will be moved elsewhere. It would also require the acquisition of 10 single-family homes, 60 apartments and some commercial property on land adjacent to Hammel.

The new high school would open in 2010, according to district officials, on a traditional two-semester calendar. Garfield, which now has about 4,500 students, would be able to get off its multitrack, year-round schedule and convert to a traditional calendar the same year.

"We think we have a tremendous plan here," said school board member David Tokofsky, who represents the area around Garfield. "The Bulldogs will be giving birth to two new puppies," he said, referring to the Garfield mascot.

"This is a better, more intelligent, efficient use of land we already own," said Jesus De Paz, senior community outreach organizer for LAUSD. Finding a way to build the schools, he said, resolves "a formidable challenge that has eluded a solution for the better part of three years."

As the district has proceeded with its plans to build 160 new schools by 2012 at a cost of \$14 billion, it has stumbled in East Los Angeles. An attempt to build a school next to Belvedere Park failed two years ago after county officials said the district failed to adequately address the issues of traffic, parking and crime. The district in turn accused community leaders, including county

Supervisor Gloria Molina, who represents the area, of failing to support the project.

So district officials seemed relieved Friday that they had received the blessing of some community leaders who had opposed the original plan, as well as activist groups that had rallied for a quick solution. Some of those leaders stood behind De Paz as he announced the proposal, which must be approved by the Los Angeles Board of Education.

Church groups, community leaders and student organizations have worked hard "to ensure that young people of the next generation have a future they can be proud of," said Luis Sanchez, director of Inner City Struggle, a Boyle Heights-based group that pushes for education reform.

Sanchez said that the four acres of housing and commercial property the district would seek to acquire near Hammel represented the smallest property seizure of any proposals that had been suggested for the new high school. Under the plan, the campus on the former Hammel site would have 68 classrooms and about eight acres of open space for sports fields and other uses.

For the new elementary school, the district will purchase the land where it now leases the Eastside Learning Center space. The school built on that site will have space for 1,000 elementary students as well as seven early education classrooms.

District officials said they did not know how much it would cost to build the schools. But under standard estimations used by the district, based on the number of seats per school it would run about \$100 million and be funded through bonds.

Molina was unavailable for comment Friday. But a spokeswoman, Roxane Marquez, said the supervisor wanted to make sure that any home or business relocation resulting from the school swap was conducted responsibly. "We want to reduce overcrowding, but it is important to the community that the relocation go smoothly, with their knowledge and consent."

A representative for Molina will be at a community meeting to discuss the plan at 6:30 p.m. Thursday on the Garfield campus. "If the community supports this plan, we are behind it," Marquez said.

Housing Commissioners
June 18, 2004
Page 2

next three years. The first phase will complete the installation of one-third of the heaters at our housing sites.

Resident Education

We are in the process of distributing educational flyers(copy attached) to all Housing Authority residents alerting them of the hazards and symptoms of carbon monoxide poisoning and preventions. "Hazard" stickers have been placed on all furnaces and water heaters warning residents of the hazards of carbon monoxide and what to do if the carbon monoxide alarm is activated.

Staff Education

Our maintenance superintendent is coordinating with the Gas Company to provide training to all maintenance staff about the risks and hazards of carbon monoxide exposure. The Gas Company prepares their training schedules a year in advance, so the training of the maintenance staff will be included in the Company's 2005 training schedule.

Pilot Testing Program

As part of their Energy Conservation Program, the Pacific Asian Consortium in Employment (PACE), a non-profit agency, installed carbon monoxide detectors in 20-first floor units, 22-second floor units, and 16-third floor units at the South Bay Gardens senior housing development.

Publicly Subsidized New Construction

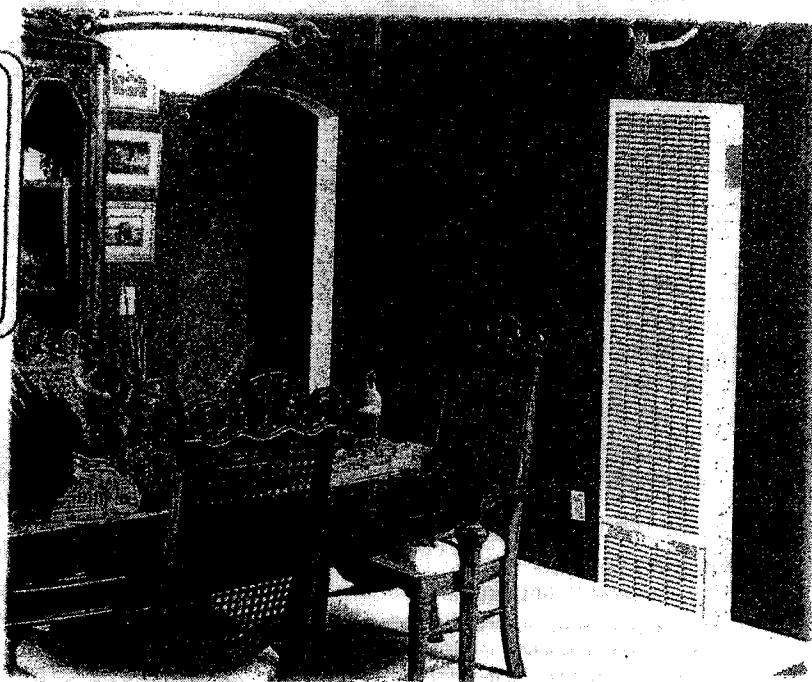
We have not been mandated by the Board to install carbon monoxide detectors in units subsidized with Industry, CDBG, and HOME funds. We have not received a response to our Board report of December 13, 2002.

Along with the increase in resident and maintenance staff awareness and education, and increased preventive maintenance throughout all of our conventional public housing sites, we have secured funding to be more proactive this coming year by replacing furnaces and possibly installing carbon monoxide detectors.

I will keep you posted on further progress.

Select from the leaders in
combining high-efficiency
home comfort with
lower heating costs!

Value-for-money priced models with
energy and money-saving operating
costs. Easy recessed or surface-
mounted installation in homes,
schools, cabins, apartments, offices
and shops.



Dual-Wall Top Vent ►

This high-efficiency 50,000 Btu/hr dual-wall model, with patented energy maximizing side-relief draft hood openings, will heat two or more rooms, quickly and economically. For additional money-saving efficiency, install one of our optional blowers.

◄ Electric Home Heater

For those areas where natural or propane gas is either difficult to get or is not convenient to install, we offer our automatic thermostatically controlled Electric Home Heater. It provides low-cost, floor-to-ceiling comfort (31,400 Btu/hr) and is ideal for basements and room additions.

Fireplace-in-a-Furnace ►

An attractive innovation that captures the essence of the traditional fireplace and combines it with the convenience of 35,000 Btu/hr modern gas home heating.

Magnus Plus

Full capacity for surface mounting - 67" height

Design Features

- No electricity required
- "Matchless" pilot igniter
- Easy installation
- Patented side-relief opening draft hood design reduces flue gas temperature to minimize normal heat loss
- Millivolt wall or built-in thermostat included
- Natural and propane gas models (conversion kits available)
- Automatic temperature and safety controls
- Resettable vent limit safety switch

Monterey Home Furnaces

Model Number		Btu/hr Input Rating	Btu/hr Output Rating	Thermal Efficiency %	AFUE %	Face Panel Dimensions H x W x D	Gas Connection	Type of Control	Shipping Weight	
Natural	Propane									
MONTEREY SRO HOME FURNACES							Conversion Kit Available			
2509612	2509611	25,000	19,350	77	71	65 ³ / ₄ " x 16" x 6"	1/2"	Built-In	83 lbs.	
2509622	2509621	25,000	19,350	77	71	65 ³ / ₄ " x 16" x 6"	1/2"	Millivolt Wall	83 lbs.	
3509612	3509611	35,000	25,930	74	69	65 ³ / ₄ " x 16" x 6"	1/2"	Built-In	83 lbs.	
3509622	3509621	35,000	25,930	74	69	65 ³ / ₄ " x 16" x 6"	1/2"	Millivolt Wall	83 lbs.	
MONTEREY SRO HOME FURNACES DUAL SIDED							Conversion Kit Available			
5009612	5009611	50,000	38,500	77	71	65 ³ / ₄ " x 16" x 6"	1/2"	Built-In	137 lbs.	
5009622	5009621	50,000	38,500	77	71	65 ³ / ₄ " x 16" x 6"	1/2"	Millivolt Wall	137 lbs.	
MONTEREY FIREPLACE-IN-A-FURNACE							Conversion Kit Available			
3509622.6	3509621.6	35,000	25,930	74	69	65 ³ / ₄ " x 16" x 6"	1/2"	Millivolt Wall	83 lbs.	
MAGNUM PLUS										
3509922	3509921	35,000	25,930	74	69	65 ³ / ₄ " x 16" x 10 ¹ / ₂ "	1/2"	Millivolt Wall	91 lbs.	
ELECTRIC COUNTERFLOW										
Model Number	kW Input	Btu/hr Output		Minimum Voltage	Maximum Voltage	Dimensions H x W x D	CFM 115V	Amps	Type of Control	Shipping Weight
		At 240V	At 208V							
3144030	9.2	31,400	23,600	207	253	72 ¹ / ₂ " x 14 ¹ / ₂ " x 7"	375	40	24V Wall	60 lbs.

Features

"Matchless" Pilot Ignitor

All models include a "matchless" pilot ignitor and a glass observation door. Assures convenient pilot lighting without matches.

Automatic Thermostats

(No Electricity Required — Included with all Models)

Available with your choice of a self-generating millivolt wall thermostat or a self-contained bulb thermostat with a full range of adjustment on the gas valve dial. All models feature 100% safety shut-off as standard equipment.

Contemporary Finish

Soft-white, powder-coat scratch-resistant finish to complement any decor.

Recommended Minimum Clearances

Monterey and Magnum Plus Models

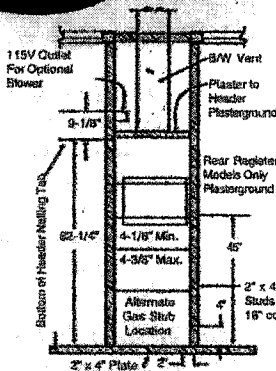
- 4" to intersecting wall
- 16" from top of appliance to ceiling
- Clearance requirements may vary by area

Electric Counterflow

- 6" to intersecting wall
- 6" from top of appliance to ceiling
- Clearance requirements may vary by area

All units rated at 4,500' elevation

Requires No Electricity Great During Power Outages



Top-View Single
25,000 & 35,000 Btu/hr



Top-View Dual
50,000 Btu/hr



Accessories

Blower

Attaches to top of furnace with on/off switch or automatic operation. Improves circulation of warm air and reduces temperature differences in the room. Deluxe Blower for increased air flow, 125 CFM. Two blowers may be used on 50,000 Btu/hr.

Rear-Outlet Register

Chain-operated damper with register flush on rear wall, adjusts amount of heat delivered through rear register. Motorized rear-outlet register for increased airflow.

High-Altitude Units

Conversion Kits

Oval-Vent Starter Kit

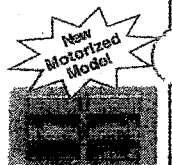
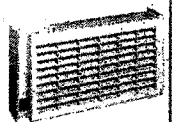
Contains starter hold down plate, oval-to-round-adapter and two pieces of oval pipe.

Vent Adapter

Oval to round vent adapter.

Freestanding Kit

Allows single-sided furnaces to be surface mounted instead of recessed. Ideal for remodeling in existing masonry wall construction or when studding is substandard. **Freestanding kits not for use with electric model.**



Model	Application	Description	Shipping Weight
2901	Monterey SRO, Magnum Plus	Blower Accessory - Standard	9 lbs.
2907	Monterey SRO, Magnum Plus	Blower Accessory - Deluxe	9 lbs.
4701	Electric Counterflow	Trim Strip Accessory	4 lbs.
4901	Monterey SRO, Magnum Plus	Freestanding Accessory	23 lbs.
6901	Monterey SRO	Rear Outlet Register	4 lbs.
6905	Monterey SRO	Plasterground for Rear Outlet Register	1 lb.
6919	Monterey SRO, Magnum Plus	Motorized Rear Outlet Register (for recessed installation)	10 lbs.
6920	Monterey SRO, Magnum Plus	Motorized Rear Outlet Register (for surface-mounted installation)	10 lbs.
9901	Monterey SRO, Magnum Plus	Oval Vent Starter Kit	9 lbs.
9902	Monterey SRO, Magnum Plus	Vent Adapter (for surface-mounted installations without blower accessory)	3 lbs.
9910	Monterey SRO, Magnum Plus	Vent Adapter (for surface-mounted installations with blower accessory)	3 lbs.
9907	Magnum Plus	Vent Enclosure - 12"	4 lbs.
9908	Magnum Plus	Vent Enclosure - 18"	8 lbs.
9909	Magnum Plus	Vent Enclosure - 36"	12 lbs.

IMPORTANT

- Read owner's manual before using.
- Photographs are representative only.
- Specify propane or natural gas when ordering.
- Check local codes and ordinances for permitted uses.
- Consult installation manual for clearances prior to installation.
- We reserve the right to amend product specifications without notice.
- Installation and servicing recommended by a qualified service person.
- Please read the warranty for any limitations or disclaimers. Combustion chamber carries a ten-year limited warranty. All other parts carry a one-year limited warranty.
- Venting must comply with the "Venting and Chimney Requirements" section of installation manual.



250 West Laurel Street • Colton, CA 92324 • U.S.A.
(909) 825-0993 • Fax (909) 370-0581 or (909) 824-3009
www.williamscomfortproducts.com
Homeowner Assistance: (909) 426-0378





WARNING

Actuation of your CO alarm indicates the presence of carbon monoxide (CO) which can **KILL YOU**.

If alarm signal sounds:

- 1) Operate reset/silence button;
- 2) Call your emergency services (tel.no.) (fire department or 911);
- 3) Immediately move to fresh air - outdoors or by an open door/window. Do a head count to check that all persons are accounted for. Do not reenter the premises nor move away from the open door/window until the emergency services responders have arrived, the premises have been aired out, and your alarm remains in its normal condition.
- 4) After following steps 1-3, if your alarm reactivates within a 24 hour period, repeat step 1-3 and call a qualified appliance technician (tel. no.) to investigate for sources of CO from fuel burning equipment and appliances, and inspect for proper operation of this equipment. If problems are identified during this inspection have the equipment serviced immediately. Note any combustion equipment not inspected by the technician and consult the manufacturers' instructions, or contact the manufacturers directly, for more information about CO safety and this equipment. Make sure that motor vehicles are not, and have not been, operating in an attached garage or adjacent to the residence.

THIS APPLIANCE MUST BE PROPERLY CONNECTED TO A VENTING SYSTEM. THIS APPLIANCE IS EQUIPPED WITH A VENT SAFETY SHUTOFF SYSTEM. WARNING: OPERATION OF THIS WALL FURNACE WHEN NOT CONNECTED TO A PROPERLY INSTALLED AND MAINTAINED VENTING SYSTEM OR TAMPERING WITH THE VENT SAFETY SHUTOFF SYSTEM CAN RESULT IN CARBON MONOXIDE (CO) POISONING AND POSSIBLE DEATH.

CET APPAREIL DOIT ÊTRE CONNECTÉ ADEQUATEMENT A UN SYSTEME DE VENTILATION. CET APPAREIL EST EQUIPE D'UN SYSTEME D'ARRÊT SECURITAIRE DE VENTILATION. AVERTISSEMENT: LE FONCTIONNEMENT DE CETTE FOURNAISE MURALE LORSQUE NON RASCORDÉE A UN SYSTEME DE VENTILATION ADEQUAT ET MAINTENU OU L'ALTERATION DE

SYSTEME D'ARRÊT SECURITAIRE PEUT ENTRAÎNER L'EMPOISONNEMENT ET POSSIBLEMENT LA MORT.

ESTE APARATO DEBE ESTAR CONECTADO CORRECTAMENTE CON UN SISTEMA DE VENTILACION. ESTE APARATO CUENTA CON UN SISTEMA DE CONTROL DE SEGURIDAD DEL RESPIRADERO. ADVERTENCIA: EL EMPEÑO DE ESTE CALIFACTOR DE PARED CUANDO NO ESTÁ CONECTADO CON UN SISTEMA DE VENTILACION CORRECTAMENTE INSTALADO Y MANTENIDO, O LA ALTERACION DEL SISTEMA DE CONTROL DE SEGURIDAD DE RESPIRADERO, PUEDE PROVOCAR EL ENVENENAMIENTO POR MONOXIDO DE CARBONO (CO) O POSIBLEMENTE LA MUERTA.

P322652

What should you do?



Proper installation, operation, and maintenance of fuel-burning appliances in the home is the most important factor in reducing the risk of CO poisoning.

Make sure appliances are installed according to the manufacturer's instructions and the local codes. Most appliances should be installed by professionals.

Always follow the appliance manufacturer's directions for safe operation.

Have the heating system (including chimneys and vents) inspected and serviced annually by a trained service technician.

Examine vents and chimneys regularly for improper connections, visible cracks, rust or stains.

Look for problems that could indicate improper appliance operations:

- Decreased hot water supply
- Furnace unable to heat house or runs continuously
- Sooting, especially on appliances and vents
- Unfamiliar, or burning odor
- Increased moisture inside of windows

Operate portable generators outdoors and away from open doors, windows, and vents that could allow CO to come indoors.

In addition, install battery-operated CO alarms or plug-in CO alarms with battery back-up in your home. Every home should have a CO alarm in the hallway near the bedrooms in each separate sleeping area. The CO alarms should be certified to the requirements of the most recent UL, IAS, or CSA standard for CO alarms. Test your CO alarms frequently and replace dead batteries. A CO alarm can provide added protection, but is no substitute for proper installation, use and upkeep of appliances that are potential CO sources.

Symptoms of CO Poisoning

The initial symptoms of CO are similar to the flu (but without the fever) They include:

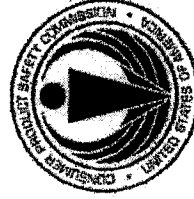
- Headache
- Fatigue
- Shortness of breath
- Nausea
- Dizziness



If you suspect that you are experiencing CO poisoning, get fresh air immediately. Leave the home and call for assistance from a neighbor's home. You could lose consciousness and die from CO poisoning if you stay in the home.

Get medical attention immediately and inform medical staff that CO poisoning is suspected. Call the Fire Department to determine when it is safe to reenter the home.

To report a dangerous product or a product-related injury, call CPSC's hotline at (800) 638-2772 or CPSC teletypewriter at (800) 638-8270. Consumers can obtain recall information at CPSC's web site at <http://www.cpsc.gov>. Consumers can report product hazards to info@cpsc.gov.



U.S. Consumer Product Safety Commission
Washington, DC 20207

The "Invisible" KILLER

Carbon Monoxide is the "invisible" killer. Carbon monoxide is a colorless and odorless gas. Every year more than 100 people in the United States die from unintentional exposure to carbon monoxide associated with consumer products.

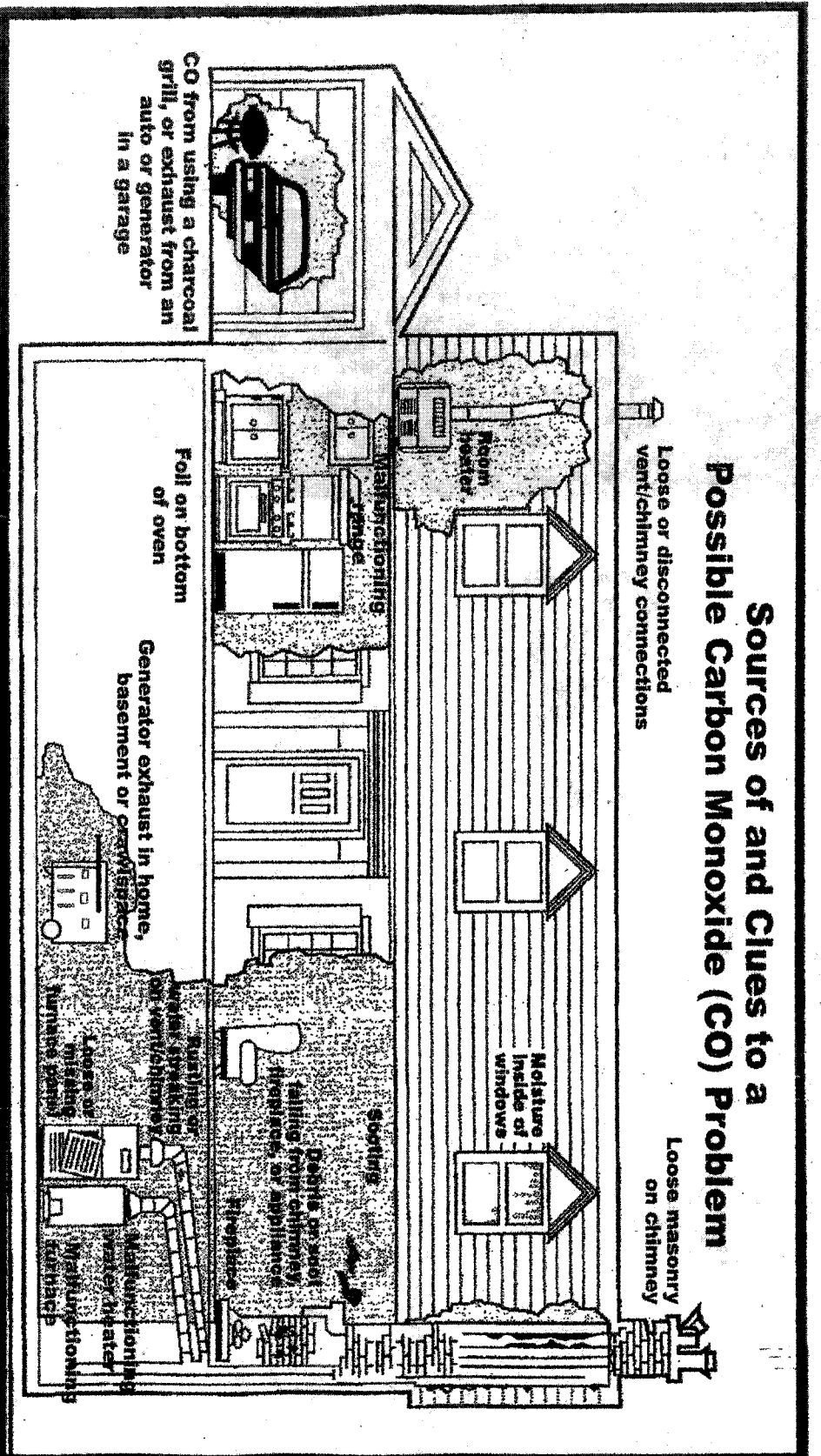
What is Carbon Monoxide?

Carbon monoxide is produced by burning fuel. Therefore, any fuel-burning appliance in your home is a potential CO source.

When cooking or heating appliances are kept in good working order, they produce little CO. Improperly operating appliances can produce fatal CO concentrations in your home.

Running a car or generator in an attached garage can cause fatal CO poisoning in the home. So can running a generator or burning charcoal in the basement, crawlspace, or living area of the home.

Sources of and Clues to a Possible Carbon Monoxide (CO) Problem



Carbon monoxide clues you can see...

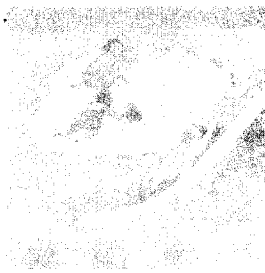
- Rusting or water streaking on vent/chimney
- Loose or missing furnace panel
- Sooting
- Debris or soot falling from chimney, fireplace, or appliances.
- Loose or disconnected vent/chimney, fireplace or appliance
- Loose masonry on chimney
- Moisture inside of windows

Carbon monoxide clues you cannot see...

- Internal appliance damage or malfunctioning components
 - Improper burner adjustments
 - Hidden blockage or damage in chimneys
- Only a trained service technician can detect hidden problems and correct these conditions!
- CO poisoning symptoms have been experienced when you are home, but they lessen or disappear when you are away from home.

Warnings...

- Never leave a car running in a garage even with the garage door open.
- Never run a generator in the home, garage, or crawlspace. Opening doors and windows or using fans will NOT prevent CO build-up in the home. When running a generator outdoors, keep it away from open windows and doors.
- Never burn charcoal in homes, tents, vehicles, or garages.
- Never install or service combustion appliances without proper knowledge, skills, and tools.
- Never use a gas range, oven, or dryer for heating.
- Never put foil on bottom of a gas oven because it interferes with combustion.
- Never operate an unvented gas-burning appliance in a closed room or in a room in which you are sleeping.



HOUSE NOTES

A Newsletter for Los Angeles County Section 8 Owners

- HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
- Spring 2004

Housing Authority of the County of Los Angeles

Main Office

12131 Telegraph Road
Santa Fe Springs, CA 90670

Mailing Address

PO Box 2129
Santa Fe Springs, CA 90670

Phone: (562) 347-4663
(800) 731-4663

TDD: (562) 906-4928

Website: www.hacola.org

Highlights In This Issue:

Case Management
New Tenant Income Packets
Abatement Policies

THANK YOU!

The staff at the Housing Authority would like to thank you for your participation as a Section 8 owner. Your rental units provide over 20,000 low-income families in Los Angeles County with a decent, safe and sanitary place to live. It is your partnership that has made this program a success.

New Owner Line

Attention Owners!!! In the lobby at our Santa Fe Springs office, we have created a line just for owners. This new feature alleviates wait time and ensures speedy service to you. We encourage you to schedule appointments to guarantee proper customer service. We hope you enjoy this new courtesy!

CHANGING THE WAY WE DO BUSINESS: CASE MANAGEMENT

In the past, owners and tenants have communicated with a multitude of staff members to make inquiries and process requests. This has caused some confusion for clients. In order to provide better customer service, the Housing Authority has implemented case management.

A designated case manager now manages each tenant file. Tenant files are assigned to staff in the Program Operations Unit based on the geographic location of properties. That way, owners with multiple properties in a particular area are likely to work with the same representative for most or all of their assisted tenants. Owners of assisted units in different areas of the County are more likely to have more than one representative. Either way, owners will always have one main point of contact for each tenant.

The case managers will work with tenants and with owners directly on all aspects of individual contracts, such as voucher issuance, annual and interim re-examinations, counseling, mediation, and terminations. Changes in ownership will still go through the Ownership Desk. Questions regarding inspections should still be directed to the Inspections Unit.

The Housing Authority aims to provide clients with a high level of service. Our case managers are available to respond to your needs. Case managers will contact you when the need arises. You may contact the Housing Authority to obtain the name of your case manager(s). If you would like to meet with a case manager, please call first to schedule an appointment.

We appreciate your patience as we undergo these changes. Our goal is to serve you, and we hope you find this change in our customer service policy a positive one for you.

NEW INCOME PACKET FOR TENANTS

The Section 8 Program requires tenants to submit re-certifications of their income and family composition at least annually. To do this more effectively, the Housing Authority has reinvented the tenant income packet. Some of your tenants have already seen the new income packets and observed that the format is different. Their feedback is that the new packet format is easier to follow.

Thanks to the recent conversion to case management, tenants now have a primary contact for questions or concerns they may have in completing the packet. The case manager's name and phone number are provided on the packet's cover page. The cover page also indicates the date the completed packet must be returned to the Housing Authority.

Submit Available Properties

Did you know that the Housing Authority compiles a list of available units each week? This list is viewed by **hundreds** of renters a day. If you have a property you would like to make available to our Section 8 Participants, please contact **Lorie Perez at (562) 347-4663 ext. 8177**

Owner Workshops

The **Public Liaison Unit** hosts a series of workshops for both owners and tenants. These workshops include detailed information on the Housing Authority's processes and procedures and changes to federal legislation. Information is also provided on the Rent Increase process and how to best contact the Housing Authority. Please contact **Lorie Perez at (562) 347-4663 ext. 8177** if you are interested in participating in future workshops

Hassle-Free Direct Deposit!

Enrolling in our direct deposit program is **easy** and will save you time. You will receive your monthly payments directly into the account that you specify by the first of every month.

If you have not yet signed up for direct deposit, please do so by **April 30th**.

Help ensure that your HAP payments arrive on time! You should have already received an application in the mail. Call Veronica Medrano at the Housing Authority at (562) 347-4663 ext. 8161, if you have any questions, or if you need another copy.

If a tenant doesn't submit a fully completed income packet by the due date, the tenant will be scheduled for a mandatory appointment, and will also be notified that missing the appointment will trigger termination procedures. If the tenant is terminated because they do not submit a complete packet and then miss the required meeting, the owner will be notified in writing. If you receive such a notice, we encourage you to follow up with your tenant.

Below are three common oversights made by tenants. We have outlined below how tenants can ensure a complete income packet.

1. **READ ALL DIRECTIONS.** In order to complete the packet, tenants must submit certain required documents in addition to the packet. If the packet is returned without all required documents, it is marked incomplete. The tenant will be called into the office for an appointment, and the owner will receive a notice of proposed termination.
2. Report **ALL CHANGES.** Tenants must report new family members, family members who have moved out, and changes in family income. There is a form in the income packet where tenants can explain these changes. They are encouraged to do so in detail.
3. **ASK FOR ASSISTANCE!** Before tenants submit an incomplete packet, they are encouraged to call their case managers with any questions. Case managers can help tenants so that the packet they submit is complete.

CHANGES IN ABATEMENT POLICY

Attention Owners! If you do not comply with notifications to correct Housing Quality Standards (HQS) deficiencies within a specified time period, the Housing Authority will abate, or withhold, your Housing Assistance Payments (HAP). If a unit fails for owner-related deficiencies, you will receive at least a 30-day written notification of the impending abatement (except in instances where there are life threatening violations, which must be corrected within 24 hours). If deficiencies are not corrected by the end of the 30-day period, the HAP payment for the following month will be withheld. *Change: HAP payments for the period covering the second failed inspection to the end of the month will no longer be recovered.* The following is an **example** for clarity:

- The unit fails an annual inspection due to owner deficiencies on October 15th.
- A notice is sent to the owner and tenant, requesting that the owner correct the deficiencies by the next scheduled inspection on November 17th (allowing for required 30-day correction period). The notice also informs the owner that if deficiencies are not corrected, the December 1st payment will be abated.
- The unit fails the second inspection on November 17th and the December payment is abated.
- If the owner requests an early re-inspection date following abatement, on December 10th, and the inspection passes, HAP payments will resume as of that day. This example results in a nine-day sanction (December 1-9).
- No HAP payments will be recovered from the owner for the time the unit was out of compliance from November 17th to November 30th.

There may be instances where the Housing Authority will need to recover HAP payments, if the second failed inspection occurs after the Housing Authority's cut-off date for placing a check on hold for the following month has occurred. For example, if the unit fails the second inspection on November 25th and the cut-off date for putting checks on hold is November 21st, it will be too late to keep the December 1st payment from being sent out; this payment will still be subject to recovery.



House Notes is a publication of the Housing Authority of the County of Los Angeles, which is dedicated to building better lives and better neighborhoods. For questions regarding this newsletter, or to receive a Spanish or Russian translated copy, please contact Tenant Talk editor Liz Matusow at the Housing Authority of the County of Los Angeles, PO Box 2129, Santa Fe Springs, CA 90670.



TENANT TALK

A Newsletter for Los Angeles County Section 8 Tenants

- LOS ANGELES COUNTY HOUSING AUTHORITY
- WINTER 2004

Housing Authority of the County of Los Angeles

Main Office

12131 Telegraph Road
Santa Fe Springs, CA 90670

Mailing Address

PO Box 2129
Santa Fe Springs, CA 90670

Phone: (562) 347-4663

(800) 731-4663

TDD: (562) 906-4928

Website: www.hacola.org

Highlights In This Issue:

Case Management

The New Income Packet

Annual Agency Plan Public Notice

The Public Liaison Unit hosts a series of workshops for both owners and tenants. These workshops include detailed information on the Housing Authority's processes and procedures and changes to legislation both in house and federally. Information is also provided on the Rent Increase process and how to best contact the Housing Authority. Please contact Lorie Perez at (562) 347-4663 ext. 8177 if you are interested in participating in future workshops.

You May Qualify for a Tax Credit!

Your family may be eligible for one or more federal income tax credits. If you qualify, the credits will reduce the amount of federal taxes you owe, resulting in a refund.

- **Earned Income Tax Credit:** For low-income working individuals and families.
- **Child Tax Credit:** Applies to families with eligible child dependents.

Los Angeles County's Volunteer Income Tax Program can assist you with your taxes and can help find out if you qualify for these or other tax credits. Contact them toll-free at 800-601-5552, or online at www.eltc-la.com. Available in Spanish.

CHANGING THE WAY WE DO BUSINESS: CASE MANAGEMENT

In the past, tenants have had to communicate with many staff members to process requests and changes. This has caused some confusion and frustration for clients. In order to provide better customer service, the Housing Authority has implemented case management. Tenants now have one main point of contact, assuring better customer service and greater accountability.

A designated case manager now manages each tenant file. Tenant files are assigned to staff in the Program Operations Unit based on the geographic location of properties. As a tenant, you can rest assured that you will probably be working with the same representative until you move.

Your case manager will work with you directly on all aspects of individual contracts, such as voucher issuance, annual and interim re-examinations, counseling, mediation, and terminations.

Your annual re-examination packet will list your case manager's name on the cover page. We encourage you to utilize your case manager by contacting him or her for any assistance.

The Housing Authority aims to provide you with a high level of customer service. Our case managers are available to respond to your needs. If you would like to meet with your case manager, please call first to schedule an appointment.

We appreciate your patience as we make the switch to case management. Our goal is to serve you, and we hope you will find this change a positive one for you.

THE NEW INCOME PACKET

The Section 8 Program requires you to submit information on your income and family composition annually, and as changes occur in your household. To help you with this, the Housing Authority has reinvented the income packet. Some of you have already seen the new income packets and observed the different format.

You may be concerned because the forms look unfamiliar. Don't worry; our staff is here to help you! When you receive your income packet, the cover page will contain the name and phone number of your case manager. **We encourage you to contact your case manager with any questions you have about the income packet.** Once you are familiar with the new packet, you'll find it easy to work with.

When you are mailed an income packet, it is due on the date listed on the cover page. For annual re-examinations, this is usually the 10th of the month. If you don't submit the income packet by the due date, or if you submit an incomplete packet, you are mailed an appointment/proposed termination notice. Your landlord/owner is also notified of the proposed termination of your housing assistance.

As it states in your notice, you must return the completed packet at the scheduled appointment. If you do, a Notice of Reversal of Proposed Termination is mailed to the owner. **If you fail to attend the appointment and/or do not submit a complete income packet by the due date set by your case manager, the termination effective date on the Notice of Proposed Termination of Housing Assistance will remain, and you will be terminated from the program.**

Here are some tips to help you submit a complete income packet:

1. It is important that you **READ ALL DIRECTIONS**. It is necessary in order for you to complete the packet that you submit all documents required in addition to the packet. If you do not, the packet will be incomplete and you will be called into the office for an appointment.
2. Report **ALL CHANGES**. This includes new family members, family members who have moved out and changes in family income. In your income packet there is a form to explain these changes. Please do so in detail.
3. **ASK FOR ASSISTANCE!** Before you submit an incomplete packet, call your Case Manager, whose name is indicated at the front of your Income Packet.

If you follow these simple hints, you avoid having to take extra time to attend an appointment at the Housing Authority. You also avoid termination of your housing assistance.

PUBLIC NOTICE

HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
PROPOSED AGENCY PLAN FOR FISCAL YEAR 2004-2005
12131 TELEGRAPH ROAD SANTA FE SPRINGS, CALIFORNIA 90670

In accordance with Section 5A of the United States Housing Act of 1937 (USHA), as amended by Section 511 of the Quality Housing and Work Responsibility Act of 1998, the Housing Authority of the County of Los Angeles (Housing Authority) has prepared a draft Agency Plan for Fiscal Year 2004-2005 for public review and comment. The Housing Authority has also revised its Administrative Plan accordingly.

The Annual Plan provides information on the Housing Authority's policies, programs, operations, and strategy for meeting local housing needs and goals.

The Administrative Plan outlines the policies and procedures that govern the Section 8 Program administered by the Housing Authority.

Copies of the proposed documents are available during a forty-five day public review and comment period, from February 4, 2004 to March 19, 2004, at the following Los Angeles County locations:

<p>1st Supervisor District Nueva Maravilla Housing Development, 4919 Cesar E. Chavez Avenue, Los Angeles Section 8 Administrative Office, 12131 Telegraph Road, Santa Fe Springs Francisquito Villa Housing Development, 14622 Francisquito Avenue, La Puente Graham Library, 1900 East Firestone Boulevard, Los Angeles Maywood Library, 4323 East Slauson Avenue, Maywood</p> <p>2nd Supervisor District Century Wilton Housing Development, 10025 Wilton Place, Los Angeles Normandie Avenue Housing Development, 11431 S. Normandie Avenue, Los Angeles Southbay Gardens Housing Development, 230 East 130th Street, Los Angeles Lennox Library, 4359 Lennox Boulevard, Los Angeles View Park Library, 3854 W. 54th Street, Los Angeles</p> <p>3rd Supervisor District Marina Manor Housing Development, 3405 Via Dolce, Marina del Rey</p>	<p>Monica Manor Housing Development, 1901 11th Street, Santa Monica Cahuenga Library, 4591 Santa Monica Boulevard, Los Angeles Los Angeles County Library, 4533 Admiralty Way, Marina del Rey</p> <p>4th Supervisor District Carmelitos Housing Development, 700 Via Wanda, Long Beach Harbor Hills Housing Development, 26607 South Western Avenue, Lomita South Whittier Community Resource Center, 10750 Laurel Avenue, Whittier Paramount Library, 16254 Colorado Avenue, Paramount</p> <p>5th Supervisor District Foothill Villa, 2423 Foothill Boulevard, La Crescenta Orchard Arms, 23410 Wiley Canyon Road, Valencia Section 8 Lancaster Office, 43770 15th Street West, Suite 115, Lancaster Glendora Library, 140 South Glendora Avenue, Glendora La Verne Library, 3640 "D" Street, La Verne</p>
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The Annual Agency Plan public hearing will be held before the Housing Authority Board of Commissioners.

**April 6, 2004 - 9:30 a.m.
Board Hearing Room - 381 Kenneth Hahn Hall of Administration
500 West Temple Street - Los Angeles, CA 90012**

Copies of the proposed documents are also available for review at the Housing Authority of the County of Los Angeles, 2 Coral Circle, Monterey Park, CA 91755 and at the Section 8 Administrative Office, 12131 Telegraph Road, Santa Fe Springs, CA 90670. Written comments or questions about the Public Housing Program may be sent to the Housing Authority of the County of Los Angeles Administrative Office, to the attention of Marisela Crabbe. Written comments or questions about the Section 8 Program may be sent to the Section 8 Administrative Office, to the attention of Darlene Aikens. You can also call 562-347-4663 or 800-731-4663, extension 8262, or submit questions and comments at www.hacola.org.

Copias del documento también están disponibles para revisar en la Autoridad de Viviendas del Condado de Los Angeles, 2 Coral Circle, Monterey Park, CA 91755 y en la Oficina Administrativa del Programa Sección 8, 12131 Telegraph Road, Santa Fe Springs, CA 90670 durante un período público de cuarenta y cinco días, empezando el 4 de Febrero, 2004 hasta el 19 de Marzo, 2004. La Junta de Supervisores de la Autoridad de Viviendas del Condado de Los Angeles tendrá una reunión pública el 6 de Abril, 2004 a las 9:30 a.m. en 381 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, CA 90012. Para hacer algun comentario o pregunta acerca de las viviendas públicas, escriba a la Autoridad de Viviendas del Condado de Los Angeles, a la atención de Marisela Crabbe, o puede llamar a 562-347-4663 or 800-731-4663 extension 8262. Para hacer comentarios o preguntas del Programa Sección 8, escriba a la Oficina Administrativa a la atención de Victor Viramontes o puede llamar a 562-347-4663 or 800-731-4663 extension 8262. También puede someter comentarios o preguntas a www.hacola.org.

Копии документов также доступны для обзора в офисе Жилищного Управления Графства Лос-Анджелес по адресу: 2 Coral Circle, Monterey Park, CA 91755, а также в Административном Офисе 8-й Программы, по адресу: 12131 Telegraph Road, Santa Fe Springs, CA 90670 в течении 45-дневного периода для комментариев, который был продлен с 4 февраля 2004 года до 19 марта 2004 года. Управляющие Комитетом Жилищного Управления Графства Лос-Анджелес назначили слушание публики, которое состоится 6 Апрель 2004, в 9:30 утра по адресу: 381 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, CA 90012. Граждане, желающие подать письменные комментарии или вопросы относительно государственной жилплощади могут адресовать их в офис Жилищного Управления Графства Лос-Анджелес (HACoLA), к вниманию Marisela Crabbe, или вы можете позвонить по телефону 562-347-4663 или 800-731-4663 # 8262. Письменные комментарии или вопросы относительно HACoLA 8-й Программы программы, должны быть посланы в Административный офис 8-й Программы на имя Darlene Aikens или вы можете позвонить по телефону 562-347-4663 или 800-731-4663 код# 8262. Также Вы можете послать вопросы и комментарии по интернету www.hacola.org. Обобщенная версия Годового Плана доступна для обзора в офисе Жилищного Управления и в Административном офисе 8-й Программы.

**PUBLIC NOTICE FOR THE SMALL CITIES SECTION 8 PROGRAM
PROPOSED ANNUAL AGENCY PLAN FOR FISCAL YEAR 2004**

The Housing Authority of the County of Los Angeles also administers the Section 8 Program on behalf of the following cities: Lawndale, Lakewood, Paramount, West Hollywood, Santa Fe Springs and Lomita. As part of its administrative responsibilities the Housing Authority has prepared a draft Agency Plan for each city. The annual plan will be displayed at each corresponding City Hall for public review and comment. The Housing Authority has also revised each city's Administrative Plan accordingly.

Copies of the proposed documents will be available during a forty-five day public review and comment period, from February 8, 2004 to March 23, 2004.

Citizens wishing to make written comments can mail them to the Housing Authority of the County of Los Angeles, 12131 Telegraph Road, Santa Fe Springs, CA 90670 to the attention of Darlene Aikens. Oral comments may be directed to 562-347-4663 or 800-731-4663, extension 8262. You may also submit questions and comments at www.hacola.org.

The location, date and time of the public hearings for the Section 8 Program for each of the six small cities are as follows:

SMALL CITIES	LOCATION OF HEARING	DATE	TIME
City of Lawndale	14717 South Bruin Ave. Lawndale, 90260	April 5, 2004	6:30 p.m
City of Lakewood	5050 Clark Ave. Lakewood, 90712	April 13, 2004	7:30 p.m
City of Paramount	16400 Colorado Ave. Paramount, 90723	April 6, 2004	7:00 p.m
City of West Hollywood	647 N. San Vicente Blvd., West Hollywood, 90069	March 15, 2004	6:30 p.m
City of Santa Fe Springs	11710 E Telegraph Rd. Santa Fe Springs, 90670	March 25, 2004	6:00 p.m
City of Lomita	24300 Narbonne Ave. Lomita, CA 90717	April 5, 2004	6:45 p.m



Tenant Talk is a publication of the Housing Authority of the County of Los Angeles, which is dedicated to building better lives and better neighborhoods. For questions regarding this newsletter, or to receive a Spanish or Russian translated copy, please contact Tenant Talk editor Liz Matusow at the Housing Authority of the County of Los Angeles, PO Box 2129, Santa Fe Springs, CA 90670.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

June 23, 2004

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT FOR EXTERIOR DOOR REPLACEMENT
AT THE WOODCREST I & II HOUSING DEVELOPMENTS IN THE
UNINCORPORATED AREA OF SOUTH LOS ANGELES (2)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority to execute a Construction Contract with CAS General Contractor, to remove and replace the exterior doors at the above sites, to be effective upon execution by all parties, which will not exceed 30 days following the date of Board approval.
2. Recommend that the Board of Commissioners authorize the Executive Director to use \$62,860 in Community Development Block Grant (CDBG) funds allocated to the Second Supervisorial District for the purposes described above.
3. Recommend that the Board of Commissioners authorize the Executive Director to approve contract change orders, using up to \$12,572 in CDBG funds allocated to the Second Supervisorial District, for unforeseen project costs, and to execute all related documents.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Construction Contract that provides for a construction period of 60 days to remove and replace deteriorated exterior doors of each apartment at the Woodcrest I and II housing developments.

FISCAL IMPACT/ FINANACING:

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$62,860 in CDBG funds allocated to the Second Supervisorial District and included in the Housing Authority's Fiscal Year 2004-2005 approved budget. A 20 percent contingency, in the amount of \$12,572, is also being set aside for unforeseen project costs using the same source of funds, also included in the Housing Authority's Fiscal Year 2004-2005 approved budget. The staff estimate for this project is \$70,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Woodcrest I and II housing developments were constructed in 1984 and consist of 10 units at 1239 West 109th Street and 10 units at 1245 West 109th Street, in the unincorporated area of South Los Angeles.

On June 8, 2004, the Board of Supervisors approved the use of CDBG funds to replace a total of 80 doors at the subject housing developments.

The Housing Authority wishes to award the attached Construction Contract to CAS General Contractor to remove and replace the original, deteriorated exterior front and rear entry doors, security screen doors, exterior water heater enclosure doors, and to complete other incidental work.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program implemented by the County of Los Angeles. Instead, CAS General Contractor will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Construction Contract has been approved as to form by County Counsel and executed by CAS General Contractor.

ENVIRONMENTAL DOCUMENTATION:

The project is excluded from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations Part 58 (a)(3)(ii) because it involves activities that will not alter existing environmental conditions. On June 8, 2004, the Board of Supervisors found that the project is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

The environmental review record for this project is available for viewing by the public during regular business hours at the Housing Authority's main office located at 2 Coral Circle, Monterey Park.

CONTRACTING PROCESS:

On March 18, 2004, the Housing Authority initiated an outreach to identify a contractor to complete the exterior door replacement project. Invitations for Bids were mailed to 451 general contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight newspapers and on the County web site. A total of nine bid packages were requested and distributed.

On April 29, 2004, five bids were received and formally opened. The bid submitted by CAS General Contractor is the lowest responsive, responsible bid and this firm is therefore being recommended for the award of the contract.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The removal and replacement of the deteriorated exterior doors will help ensure the safety of the residents and the long-term durability of the subject housing developments.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

CJ:WOODCRESTDOORS

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

EXTERIOR DOOR REPLACEMENT AT THE WOODCREST I & II HOUSING DEVELOPMENTS IN THE UNINCORPORATED AREA OF SOUTH LOS ANGELES

On March 18, 2004, the following outreach was initiated to identify a contractor to complete door replacement at the housing developments located at 1239 and 1245 West 109th Street in the unincorporated area of South Los Angeles.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Eastern Group Publications	Long Beach Press Telegram
International Daily News	Los Angeles Times
La Opinion	The Daily News
L. A. Sentinel	Wave Community Newspapers

An announcement was also posted on the Los Angeles County web site.

B. Distribution of Bid Packets

The Housing Authority's vendor list was used to mail out Invitations for Bids to 451 general contractors, of which 313 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, nine bid packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On April 8, 2004, a mandatory pre-bid conference and site walk was conducted with seven firms in attendance.

D. Bid Results

On April 29, 2004, five bids were received and publicly opened. Three bids were received from firms that identified themselves as minority- or female-owned. The bid results were as follows:

<u>Company</u>	<u>Bid Amount</u>
CAS General Contractor*	\$ 62,860.00
ZK Construction	\$ 65,000.00
Torres Construction Corp.*	\$ 69,300.00
AZ Home, Inc.	\$ 71,442.00
ANR Industries, Inc.*	\$ 72,496.55

* Minority- or Female-owned firm.

E. Minority/Women Participation – Firm Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
CAS General Contractor	Minority	Total: 5 4 minorities 1 woman 80% minorities 20% women

F. Minority/Women Participation - Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
ZK Construction	Non-Minority	Total: 3 3 minorities 0 women 100% minorities 0% women
Torres Construction Corp.	Minority	Declined to indicate.
AZ Home, Inc.	Non-Minority	Declined to indicate.
ANR Industries, Inc.	Minority	Total: 38 29 minorities 5 women 76% minorities 13% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

**HOUSING AUTHORITY
OF THE COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

FOR

**WOODCREST I & II HOUSING DEVELOPMENTS
EXTERIOR DOORS REPLACEMENT PROJECT**

**1239 and 1245 West 109th Street
Los Angeles, CA 90044**

BID NUMBER: CM-04-061

Bid Date: April 29, 2004

**HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

This CONSTRUCTION CONTRACT (or "Contract") is made this ____ day of July 2004 by and between the **Housing Authority** of the County of Los Angeles, a body corporate and politic, hereinafter referred to as the "**Authority**" or the "**Owner**", and **CAS General Contractor**, a sole ownership, hereinafter referred to as the "**Contractor**".

WITNESSETH, that the Owner and the Contractor, for the consideration stated herein, mutually agree as follows:

- A. The Authority is the Owner of that certain real property, commonly known as the Woodcrest I & II Housing Developments, located 1239 and 1245 West 109th Street, in the unincorporated area of South Los Angeles, hereinafter referred to as the "Property".
- B. The term "Work" includes performance, as set forth in the Contract Documents by the Contractor, for all improvement work on, in and about the Property.
- C. Owner desires the Contractor to perform the Work on the terms and conditions hereinafter set forth, and Contractor agrees to perform said Work on terms and conditions set forth below.

ARTICLE 1

THE CONSTRUCTION CONTRACT

- 1.1 The Construction Contract means and includes all of the "Contract Documents". The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

PART A	Instructions to Bidders and General Conditions
PART B	Specifications and Drawings
PART C	Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder

ALL ADDENDA TO THE ABOVE CONTRACT DOCUMENTS.

ARTICLE 2

STATEMENT OF WORK

- 2.1 Contractor agrees to perform in a professional manner, to the satisfaction of the Authority's Executive Director, all Work described in the Contract Documents referenced in Article 1.
- 2.2 The Contractor shall furnish all labor, material, equipment and services and perform and complete all Work required for the project identified as Bid No. CM-04-061 for the Authority. All such Work shall be in strict accordance with the Specifications and Drawings, identified as Part B, all as prepared by the Authority.

- 2.3 Data provided in the Specifications and Drawings are believed to actually depict the conditions to be encountered by the Contractor, but Owner does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve Contractor from making any and all investigations through non-destructive observations of the Property which are reasonably necessary to apprise him/herself of the condition of the Property. Contractor hereby accepts the project in an "as is" condition and herein warrants that all such investigations have been performed by him/her, and hereby expressly waives any and all rights under this Construction Contract, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

ARTICLE 3 TIME OF COMMENCEMENT AND COMPLETION

- 3.1 The Work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within sixty (60) calendar days following the required commencement date.
- 3.2 The Contractor and the Owner agree that, since the determination of actual damages for any delay in completion would be extremely difficult or impracticable to determine in the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Owner the sum of Four Hundred Dollars (\$400.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner. The Contractor shall not be charged with liquidated damages because of any delay in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

The Owner may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 4 CONTRACT SUM

- 4.1 The Owner shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of SIXTY-TWO THOUSAND, EIGHT HUNDRED SIXTY DOLLARS AND NO CENTS (\$62,860.00). The Contractor represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, not less than the prescribed minimum wages in accordance with the current Prevailing Wage Determination published by the Department of Labor, as such wage rates are amended from time to time from commencement of the Construction Contract through completion of the Work.
- 4.2 The Contract Sum set forth herein includes the payment by Contractor of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.

- 4.3 The Contract Sum is not subject to escalation, the Contractor having satisfied him/herself with said Contract Price, which includes all labor and material increases anticipated throughout the duration of this Construction Contract.
- 4.4 The Owner's obligation is payable only and solely from funds appropriated from the Department of Housing and Urban Development (HUD) and for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.
- 4.5 In the event this Contract extends into the succeeding fiscal year and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Owner will endeavor to notify the Contractor in writing within ten (10) days of receipt of the non-appropriation notice.

ARTICLE 5 PROGRESS PAYMENTS

- 5.1 Based upon applications for payment submitted by the Contractor to the Owner, and after approval by the Construction Management Division, the Owner shall make progress payments on account of the Contract Sum to the Contractor, as provided in the Instruction to Bidders of the Construction Contract.
- 5.2 Approved applications for progress payments will be paid by the thirtieth day of each month, provided that application for payment has been submitted to the Owner on or before the first working day of the month. Payment shall be subject to all provisions of Section 01003, paragraphs 3.03.A. and B. of the Instructions to Bidders incorporated by reference into the Contract.
- 5.3 The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the Housing Authority before the start of construction. The Contractor shall submit to the Housing Authority all of its payrolls for each pay period within seven (7) days after the pay period has ended. The Contractor shall also collect, review and submit to the Housing Authority all of its subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this Contract and entitles the Housing Authority to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated, ongoing or flagrant failures by the Contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this Contract which may result in the Housing Authority terminating the Contract for default.

ARTICLE 6 PROJECT CLOSEOUT

- 6.1 Prior to occupancy of any dwelling unit, building, or other portion of the project, the Owner shall receive a certificate from the Contractor that such portion of the project is ready for occupancy, and shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this Construction Contract have been satisfied. The Owner shall cause the Notice of Completion to be recorded with the County Recorder.

- 6.2 Upon Issuance of a Notice of Completion, final payment shall be made to the Contractor of the entire unpaid balance of the Contract Sum, including any sums due to the Contractor for changes in the Work approved by the Owner pursuant to Section 01003 paragraph 3.03.E. of the Instruction to Bidders, less any amounts which Owner is entitled to receive from the Contractor under the terms of this Contract or amounts necessary to cover stop notices or alleged labor underpayments, and less the ten percent (10%) retention withheld, pursuant to Section 01003 paragraph 3.03.F. of the Instruction to Bidders.
- 6.3 In addition to all other requirements, a Notice of Completion shall be issued only when Owner has received the following:
- A. A Certificate of Completion, executed by Owner.
 - B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. Contractor guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one (1) year following date of final acceptance of the project.
 - C. The waiver and release of all liens, claims of liens, or stop notice rights of the Contractor and all subcontractors, and the Contractor's Certificate and Release.
 - D. Verification from the Architect that Contractor has removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the project site. If the Contractor has failed to remove any of such items, the Owner may remove such items, and the Contractor shall pay the Owner for all costs incurred in connection with such removal.
- 6.4 After recordation of the Notice of Completion, and expiration of the thirty-day period for filing of stop notices, the Owner shall use reasonable efforts to settle all claims and disputes, notify the Contractor of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the ten percent (10%) retention, less any amounts which the Owner is entitled to receive from the Contractor under the terms of this Construction Contract, including liquidated damages, and less amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 7

BREACH AND TERMINATION

- 7.1 Waiver by the Owner of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective Work or improper materials.
- 7.2 In addition to any right of termination reserved to the Owner by Section 01003 paragraph 3.10.A. of the Instruction to Bidders of the Construction Contract, the Owner may terminate this Construction Contract or performance under this Construction Contract, if the Contractor is adjudged bankrupt, a receiver is appointed because of the Contractor's insolvency, or the Contractor makes a general assignment for the benefit of its creditors, fails to make prompt

payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the Contract Documents.

- 7.3 The Owner shall give the Contractor and his/her surety written notice prior to terminating this Construction Contract or performance under this Construction Contract, pursuant to Section 01003 paragraph 3.10.A. of the Instruction to Bidders, provided that the Contractor shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the project. Upon termination, the Owner may take possession of the project and all materials, equipment, tools, and construction equipment and machinery owned by the Contractor and located at the project site, and may finish the project by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment under this Construction Contract.
- 7.4 The Owner shall not be deemed to have waived any of its other rights or remedies against the Contractor by exercising its right of termination under this Article.
- 7.5 Termination for Cause: This Contract may be terminated by the Authority upon written notice to the Contractor for cause (failure to perform satisfactorily any of the Contract terms, conditions, and Work items) with no penalties upon termination or upon the occurrence of any of the following events:
- A. Continuing failure of the Contractor to perform any Work required to be performed hereunder in a timely and professional manner, or Contractor is not properly carrying out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor; and should the Contractor neglect or refuse to provide a means for a satisfactory compliance with this Contract and with the direction of the Authority within the time specified in such notices, the Authority shall have the power to suspend the performance of this Contract by Contractor in whole or in part.
 - B. Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Authority may immediately terminate this Contract.
 - C. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the Work to be done under said Contract is abandoned for more than three (3) days by the Contractor, then notice of deficiency thereof in writing will be served upon the Contractor. Should the Contractor fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Authority shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
 - D. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
 - E. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of

the covenants, agreements, or stipulations of this Contract, the Authority shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Authority become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

- 7.6 Termination for Improper Consideration: The Authority may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Construction Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any Authority officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by the Authority officer or employee to solicit such improper consideration. The Report shall be made to the Authority's Executive Director or designee.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

- 7.7 Termination for Convenience: The Authority reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in such termination.
- 7.8 The Authority's Quality Assurance Plan: The Authority will evaluate Contractor's performance under this Contract on not less than a quarterly basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the Authority determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Authority and the Contractor. If improvement does not occur consistent with the corrective action measures, the Authority may terminate this Contract or pursue other penalties as specified in this Contract.
- 7.9 Non-payment after expiration or termination: Contractor shall have no claim against the Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify the Authority and shall immediately repay all such funds to the Authority. Payment by the Authority for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the

Authority's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

ARTICLE 8 MISCELLANEOUS PROVISIONS

- 8.1 Contractor shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should Contractor become aware that any provision of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order, he/she shall promptly give notice in writing to the Owner of such variance.
- 8.2 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this Construction Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Construction Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Construction Contract.
- 8.3 Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of difference between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination by the Contracting Officer shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

ARTICLE 9 CONTRACTOR APPROVAL

- 9.1 Contractor's Warranty of Adherence to Authority's Child Support Compliance Program
Contractor acknowledges that the Authority has established a goal of ensuring that all individuals who benefit financially from the Authority through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the Authority's Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Construction Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

9.2 Termination For Breach of Warranty to Maintain Compliance with Authority's Child Support Compliance Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 9.1, "Contractor's Warranty of Adherence to Authority's Child Support Compliance Program" shall constitute a default by Contractor under this Contract. Without limiting the rights and remedies available to the Authority under any other provision of this Contract, failure to cure such default within ninety (90) days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Authority Board of Commissioners may terminate this Agreement pursuant to Paragraphs under 7.5.

9.3 Post L. A.'s Most Wanted Parents List

Contractor acknowledges that the Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is the Authority's policy to encourage the Authority contractors to voluntarily post the Authority's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. District Attorney will supply Contractor with the poster to be used.

ARTICLE 10
ADDITIONAL PROVISIONS

10.1 This Construction Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.

10.2 This Construction Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.

10.3 No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

10.4 Contractor shall procure and maintain insurance at Contractor's expense for the duration of this Contract from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval by the Authority:

A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/ Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

This insurance shall include, or separate insurance shall be secured, with a minimum limit of one million dollars (\$1,000,000) to cover the defense of and liability for bodily injury, disease or illness including death, or property damage arising in whole or in part out of the removal, repair, handling, or disposal of asbestos and/or lead containing materials.

- B. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing workers' compensation benefits, as required by the Labor Code of the State of California. In all cases, the above insurance shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-Policy Limit	\$1,000,000
Disease-Each Employee	\$1,000,000

- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto."

The Authority, the Community Development Commission of the County of Los Angeles (Commission), the County of Los Angeles (County), and their officers, employees, agents and representatives shall be named as additional insureds.

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party or reduced in coverage or limits, except after thirty (30) days' prior written notice to the Authority, and shall be primary and not contributing to any other insurance or self-insurance maintained by the Authority.

Any self-insurance program or self-insured retention must be separately approved in writing by the Authority.

Contractor shall deliver to the Authority certificates of insurance and original endorsements for approval as to sufficiency and form prior to the start of performance hereunder. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Such insurance as required herein shall not be deemed to limit Contractor's liability under this Contract.

The Authority reserves the right to require complete certified copies of all said policies at any time. Any modification or waiver of the insurance requirements herein shall only be made with the written approval of the Authority's Risk Manager or designee.

10.5 Compliance With Laws

The Contractor agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42

U.S.C. 18579(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

Contractor shall comply with the following laws:

Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Title VI provides that no person shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

Executive Order 11246 and 11375, Equal Opportunity in Employment (Nondiscrimination in Employment by Government Contractors, Subcontractors, and Contractors)

During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Authority's contracting officer, advising the labor union or workers' representatives of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his/her books, records, and accounts by the Authority and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the Authority may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Authority, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Federal Prevailing Wage (Davis-Bacon) Requirements

The construction project is funded in whole or in part with Federal funds. Federal Labor Standard Provisions, including prevailing wage requirements of the Davis-Bacon and Related Act (DBRA) will be enforced. Whenever a discrepancy between Federal Regulations and State Law is found to exist, the more stringent of the two shall prevail. See Section 01003, paragraphs 2.09, 3.13, and 3.21 in Part A, "Instruction to Bidders and general Conditions for Construction Contract," of this Contract.

The applicable wage determination for this project is General Wage Decision CA030028, Modification #3, dated April 2, 2004.

Section 3 of the Housing and Community Development Act of 1968, as Amended

requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

- A. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

- B. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (i) after the Contractor is selected but before the Contract is executed, and (ii) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

With respect to work performed in connection with Section 3 covered Indian Housing Assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

10.6 Access and Retention of Records

The Contractor shall provide access to the Authority, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to the specific Contract for the purpose of making audits, examinations, excerpts and transcriptions.

The Contractor is required to retain the aforementioned records for a period of five (5) years after the Authority pays final payment and other pending matters are closed.

10.7 Conflict of Interest

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Authority. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the Authority, any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Authority's interest and the interests of the third parties.

10.8 Indemnification

The Contractor agrees to indemnify, defend and save harmless the Authority, Commission, County, and their agents, officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever including, but not limited to bodily injury, death, personal injury or property damage arising from or connected with the Contractor's services, including any Workers' Compensation suits, liability, or expenses arising or connected with the Work or service rendered pursuant to this Contract.

10.9 Subcontracting

The Contractor may subcontract only those specific portions of the work allowed in the original specifications covered by this Contract with prior written approval by the Authority.

10.10 Assignment

This Contract or any provision thereof or any right or obligation arising hereunder is not assignable in whole or in part, without the expressed written consent of the Authority. However, the Authority reserves the right to assign this Contract to another public agency without the consent of the Contractor.

10.11 Confidentiality of Reports

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Authority.

10.12 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.13 Safety Standards and Accident Prevention

The Contractor shall comply with all applicable Federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and

protective equipment and take any other needed actions, on his/her own responsibility, reasonably necessary to protect the life and health of employees on the job and the public and to protect property in connection with the performance of this Contract.

10.14 Drug Free Workplace Act of the State of California

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

10.15 Copyright

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the Authority and the Authority holds all the rights to said data.

10.16 Independent Contractor

The Contractor shall perform the services as contained herein as an independent contractor and shall not be considered an employee of the Authority, or under Authority supervision or control. This Contract is by and between the Contractor and the Authority, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the Authority and the Contractor.

10.17 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

10.18 Notices

The Authority shall provide Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that the Authority has actual knowledge of such injury or damage. The Authority shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the representative of each Party.

Owner:

Housing Authority
Maria Badrakhn, Contracting Officer
2 Coral Circle
Monterey Park, CA 91755

Contractor:

CAS General Contractor
Carlos A. Sahagun
19827 Reedview Drive
Rowland Heights, CA 91748

Notices shall be deemed delivered on the third day after posting by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. Authority and Contractor may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

10.19 Interpretation

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both parties hereto.

10.20 Employees of Contractor

Workers' Compensation: Contractor understands and agrees that all persons furnishing services to the Authority pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injury arising from an accident connected with services provided to the Authority under this Contract.

Professional Conduct: The Authority does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The Authority will properly investigate all charges of harassment by residents, employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

10.21 Patent Rights

The Authority will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under, this Contract.

10.22 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor shall notify its employees; and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

10.23 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the project.

10.24 Contractor Responsibility and Debarment

- A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Authority to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that if the Authority acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Authority may, in addition to other remedies provided in the contract, debar the Contractor from bidding on Authority contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts the Contractor may have with the Authority.
- C. The Authority may debar a contractor if the Board of Commissioners finds, in its discretion, that the Contractor has done any of the following: (i) violated any term of a

contract with the Authority, (ii) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (iii) committed an act or offense which indicates a lack of business integrity or business honesty, or (iv) made or submitted a false claim against the Authority or any other public entity.

- D. If there is evidence that the Contractor may be subject to debarment, the Authority will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.
- F. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- G. These terms shall also apply to subcontractors of Authority contractors.

10.25 Compliance With Jury Service Program

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the Authority or a subcontract with an Authority contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Authority, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform

services for the Authority under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the Authority if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The Authority may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the Authority's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Section of the Contract may constitute a material breach of the Contract. In the event of such material breach, the Authority may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future Authority contracts for a period of time consistent with the seriousness of the breach.

10.26 Notice to Employees regarding The Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

10.27 Contractor's Acknowledgment of Authority's Commitment to the Safely Surrendered Baby Law

The Contractor acknowledges that the Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Authority's policy to encourage all Authority contractors to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

10.28 Entire Contract

This Contract with attachments constitutes the entire understanding and agreement of the parties.

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IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract on the date and year first written above.

OWNER

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES, A BODY
CORPORATE AND POLITIC

By: _____

CARLOS JACKSON

Title: EXECUTIVE DIRECTOR

Date: _____

APPROVED AS TO PROGRAM:

MARIA BADRAKHAN

Title: CONTRACTING OFFICER

Date: _____

APPROVED AS TO FORM
Office of County Counsel

By: Paul T. Hanson
Deputy

CONTRACTOR

COOPER ROOFING SERVICES, INC.

License Number: 319751

By: Carlos A. Sahagun

CARLOS A. SAHAGUN

Title: OWNER

Date: _____

BUSINESS ADDRESS

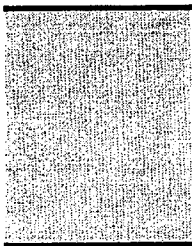
19827 REEDVIEW DRIVE

ROWLAND HEIGHTS, CA 91748

Telephone: (909) 598-8651

Fax: (909) 468-9828

CORPORATE SEAL



Required Signatures:

If sole proprietor, one signature of sole proprietor.

If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

June 23, 2004

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**ACCEPT RESIDENT OPPORTUNITIES AND SELF-SUFFICIENCY RESIDENT
SERVICE DELIVERY MODELS PROGRAM FUNDS FROM THE U.S.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (ALL DISTRICTS)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners authorize the Executive Director to accept from the U.S. Department of Housing and Urban Development (HUD) a \$300,000 grant of Resident Opportunities and Self-Sufficiency Resident Service Delivery Models Program (ROSS Program) funds to implement a three-year supportive services program to promote independent living for up to 1,364 elderly and persons with disabilities who reside at 12 conventional public housing sites identified in Attachment A.
2. Recommend that the Board of Commissioners authorize the Executive Director to execute all documents required for receipt of the grant, and to incorporate the funds into the Housing Authority's approved 2004-2005 Fiscal Year budget.
3. Recommend that the Board of Commissioners authorize the Executive Director to prepare and execute contracts with multiple community organizations and service providers, in a combined total amount not to exceed \$300,000, to assist in implementation of the program, in accordance with HUD requirements, following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to authorize the Housing Authority to accept from HUD \$300,000 in ROSS Program funds to implement a comprehensive supportive services program that promotes independent living for the elderly and persons with disabilities who reside in 12 conventional public housing sites.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The \$300,000 grant provided by HUD will be matched by over \$1.4 million in in-kind services from community organizations and service providers.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

In June 2003, the Housing Authority submitted a funding application to HUD under the ROSS Program. For Fiscal Year 2003, \$22.9 million was available through a nationally competitive awards process.

In May 2004, HUD awarded to the Housing Authority the maximum grant amount of \$300,000. The entire grant award will be used to enter into service contracts with various community organizations and service providers selected through a request for proposal process. The selected organizations will provide recreation activities, home assistance, counseling services, money management and fraud prevention services, transportation assistance, hot meal programs, case management, and other related activities.

This letter has been reviewed by County Counsel.

IMPACT ON CURRENT PROGRAMS:

The grant will enable the Housing Authority to implement programs and services that promote independent living and greater quality of life to the elderly and persons with disabilities.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

ATTACHMENT A
ROSS PROGRAM SITES

LARGE SITES

CARMELITOS

700-1100 Via Wanda
900 Via Carmelitos
Long Beach, CA 90805

HARBOR HILLS

26607 S. Western Ave.
Lomita, CA 90717

NUEVA MARAVILLA

4919 Cesar E. Chavez Ave.
Los Angeles, CA 90022

NORTH COUNTY

FOOTHILL VILLA

2423 Foothill Blvd.
La Crescenta, CA 91214

ORCHARD ARMS

23410-23540 Wiley Canyon Rd.
Valencia, CA 91355

SOUTH COUNTY

SOUTHBAY GARDENS

230 E. 130th St.
Los Angeles, CA 90061

WEST COUNTY

WESTKNOLL APTS.

838 West Knoll Dr.
West Hollywood, CA 90069

PALM APTS.

959 Palm Ave.
West Hollywood, CA 90069

MARINA MANOR I

3401 Via Dolce
Marina Del Rey, CA 90292

MARINA MANOR II

3405 Via Dolce
Marina Del Rey, CA 90292

EAST COUNTY

WHITTIER MANOR

11527 Slauson Ave.
Whittier, CA 90606

HERBERT AVE.

133 Herbert Ave.
Los Angeles, CA 90063



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

June 23, 2004

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE MECHANICAL ENGINEERING SERVICES CONTRACT FOR NATURAL
GAS PIPELINE REPLACEMENT AT THE CARMELITOS HOUSING DEVELOPMENT
(4)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the design and engineering phase of the natural gas pipeline replacement project for the Carmelitos housing development, located at 1000 Via Wanda in the City of Long Beach, is exempt from the California Environmental Quality Act (CEQA), as described herein, because the proposed work will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the award of a two-year Mechanical Engineering Services Contract between the Housing Authority and Dahl, Taylor & Associates, Inc. (the Consultant) to complete analysis and engineering, prepare plans and specifications, and perform other related work for the project described herein; authorize the Executive Director to use for this purpose \$66,000 in Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD); and authorize the Executive Director to execute the Contract and all related documents, to be effective upon execution by all parties, which will not exceed 30 days following the date of Board approval.

3. Recommend that the Board of Commissioners authorize the Executive Director to approve Contract change orders, using up to \$13,200 in CFP funds allocated by HUD, for unforeseen project costs, and to execute all related documents.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a two-year Mechanical Engineering Services Contract to complete analysis and engineering, prepare plans and specifications, and perform other related work for a natural gas pipeline replacement project for the Carmelitos housing development.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Contract will be funded with \$66,000 in CFP funds included in the Housing Authority's Fiscal Year 2004-2005 approved budget. A twenty percent contingency, in the amount of \$13,200, is also being set aside for unforeseen costs, also using CFP funds included in the Housing Authority's Fiscal Year 2004-2005 approved budget.

The Contract may be extended for up to one additional year, in order to allow the Consultant to perform construction observation services during the construction phase of the project. Compensation for these services is included in the \$66,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

In July 2000, the Board authorized the Housing Authority to submit a CFP application to HUD to provide funding for site and building improvements at the subject property. HUD subsequently approved this application.

The Housing Authority wishes to retain the services of the Consultant to analyze the natural gas pipelines under a total of 86 buildings at the Carmelitos housing development. The pipelines presently show deterioration and corrosion requiring the services of a qualified, experienced mechanical engineering consultant. The Consultant will be responsible for evaluating existing pipelines and preparing designs, plans, calculations, and specifications for the removal, retrofit and installation of new pipelines under the buildings. The Consultant will also be responsible for obtaining all plan check approvals, assisting with the bid phase to identify a contractor to perform any needed pipeline replacement, and performing construction observation services.

Should the Consultant require additional or replacement personnel during the term of the Contract, it will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program who meet the minimum qualifications for the open positions. The Consultant will contact the County's GAIN Division for a list of participants by job category.

The Contract has been approved as to form by County Counsel and executed by Dahl, Taylor & Associates, Inc.

ENVIRONMENTAL DOCUMENTATION:

This project is exempt from the provisions of National Environmental Policy Act pursuant to 24 Code of Federal Regulations Part 58, Section 58.34 (a)(1) because it involves design activities that will not have a physical impact on or result in any physical changes to the environment. It is also exempt from the provisions of CEQA pursuant to State CEQA Guideline 15061 (b)(3), because CEQA applies only to projects which have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On January 4, 2004, the Housing Authority initiated a Request for Qualifications (RFQ) process to identify a qualified and experienced mechanical engineering firm to provide the needed services. Notices of the RFQ were mailed to 44 mechanical engineering firms identified from the Housing Authority's vendor list. Announcements also appeared in eight local newspapers and on the County web site. Eighteen RFQs were requested and distributed.

By the deadline of February 3, 2004, eight firms submitted Statements of Qualifications (SOQ). A review panel of Housing Authority personnel evaluated and ranked the eight SOQs. The review panel determined that the two top-ranked firms were eligible for interviews: Dahl, Taylor & Associates, Inc, and Storms and Lowe.

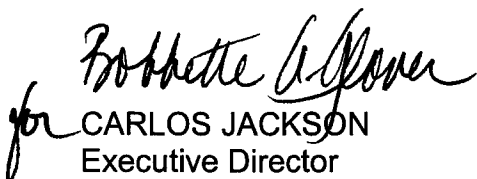
On February 27, 2004, Dahl, Taylor & Associates, Inc, and Storms and Lowe were interviewed. The performance of the firms at the interviews was evaluated by the review panel, which determined that Dahl, Taylor & Associates, Inc. is the most qualified firm to provide the necessary services. Dahl, Taylor & Associates, Inc. was invited to submit a fee proposal and enter into negotiations with the Housing Authority, resulting in a mutually agreeable fee of \$66,000.

The Summary of Outreach Activities is provided with this letter as Attachment A.

IMPACT ON CURRENT PROJECT:

The proposed Contract will provide for the necessary design and engineering services to complete the improvements for the safety and long-term durability of the housing development.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

ATTACHMENT A

Summary of Outreach Activities

Request for Qualifications (RFQ) for Mechanical Engineering Services

On January 4, 2004, the following Request for Qualifications (RFQ) process was initiated to identify the most qualified and experienced mechanical engineering firm to provide the necessary services for the natural gas pipeline replacement project at the Carmelitos Housing Development.

A. Newspaper Advertising

Beginning on January 4, 2004, announcements of the RFQ appeared in the following eight local newspapers:

Dodge Construction News
Eastern Group Publications
International Daily News
La Opinion

Los Angeles Sentinel
Los Angeles Times
The Daily News
Wave Community Newspapers

The announcement and complete RFQ was posted on the County web site for a 23-day advertisement period. Firms were asked to request the RFQ via email directly through the County Web Site or to obtain the RFQ from the Housing Authority.

B. Distribution of RFQs

The Housing Authority's vendor list was used to mail out the announcement of the RFQ to 44 mechanical engineering firms, of which 26 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, 18 RFQs were requested and distributed by the Housing Authority.

C. Statements of Qualifications (SOQs)

By the deadline of February 3, 2004, a total of eight firms submitted SOQs, of which six identified themselves as minority-owned.

D. Review of SOQs

A review panel of Housing Authority personnel evaluated and ranked the eight SOQs. The review panel determined that the two top-ranked firms were eligible for interviews: Dahl, Taylor & Associates, Inc, and Storms and Lowe. On February 27, 2004, Dahl, Taylor & Associates, Inc, and Storms and Lowe were interviewed.

The performance of the firms at the interviews was evaluated by the review panel, which determined that Dahl, Taylor & Associates, Inc. is the most qualified firm to provide the necessary services. Dahl, Taylor & Associates, Inc. was invited to submit a fee proposal and enter into negotiations with the Housing Authority, resulting in a mutually agreeable fee of \$66,000.

F. Minority/Women Participation - Firm Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Dahl, Taylor & Associates, Inc.	Minority	Total: 21 17 minorities 6 women 81% minority 29% women

G. Minority/Women Participation - Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
EC Engineering & Construction	Minority	Declined to indicate.
General Physics	Non-Minority	Total: 1026 106 minorities 345 women 10% minority 34% women
Leading Edge Consulting	Non-Minority	Total: 12 4 minorities 1 women 33% minority 8% women
PBS Engineers	Minority	Total: 17 15 minorities 4 women 88% minority 24% women
Storms and Lowe	Minority	Total: 36 27 minorities 1 women 75% minority 3% women

William Yang & Associates	Minority	Total: 35 24 minorities 4 women 69% minority 11% women
Yau Associates Engineering	Minority	Total: 8 8 minorities 2 women 100% minority 25% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

**MECHANICAL ENGINEERING SERVICES CONTRACT FOR
CARMELITOS NATURAL GAS LINE REPLACEMENT PROJECT**

**CONTRACT for Professional Services
Between
The Housing Authority
of the County of Los Angeles
And
DAHL, TAYLOR & ASSOCIATES, INC.**

RFQ NUMBER CM-04-048, FEBRUARY 3, 2004

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Section 1.0 Recital

THE CONTRACT (or "AGREEMENT") is made and entered into this ____ day of July 2004 by and between the Housing Authority of the County of Los Angeles, hereinafter called "**Authority**" or "Owner" and Dahl, Taylor & Associates, Inc., hereinafter called "**Consultant**."

Section 2.0 Purpose

The purpose of this Agreement is to allow the Authority to retain the services of this Consultant for mechanical engineering services including design and engineering required for the removal and installation of new gas pipelines (the "Project") at the Carmelitos Housing Development as consultants to the Housing Authority under the management of the Construction Management Division. The Project is located at 1000 Via Wanda, Long Beach, California.

Section 3.0 Term

This Agreement shall commence as of the day and year first above written and shall remain in full force for a two (2) year duration, with the option to renew for one (1) additional year, unless sooner terminated or extended in writing as provided herein. A performance review shall be conducted no later than 90 days prior to the end of the first and second years of the agreement to evaluate the performance of the Consultant. Based on the assessment of the performance review, written notification will be given to the Consultant whether the agreement will be terminated at the end of the current year or will be continued into the next contract year.

Section 4.0 Consultant Responsibilities

Upon the request of the Authority's Contracting Officer or designee, which may include the Director of the Construction Management Division, the Consultant shall complete the work program described in this Agreement. The Consultant agrees that all work performed by the Consultant will be the sole responsibility of the Consultant. The Consultant agrees that any claims, liability, damage, or lawsuits resulting from its poor workmanship, including items which are not in compliance with federal, state, county or city laws, regulations and guidelines, will be the sole responsibility of the Consultant.

Section 4.1 Scope of Work

Perform all engineering and design work related to or required for the performance of this contract and as itemized below.

- A. Perform site investigations; research and written summaries and quality control reviews of existing plans, documents, and data;

- B. Evaluate existing gas lines and structures and prepare and submit reports of recommendations;
- C. Prepare designs, plans, calculations, and specifications under this contract including removal, retrofit and installation of new gas lines for 85 existing buildings and administration building;
 - 1. Field verify Carmelitos housing complex.
 - 2. Regenerate the floor plan and site plan background
 - 3. Prepare design drawings for removal of secondary gas lines from the meters to the risers in the pipe chases at min. 24 inches above the first floor slabs.
 - 4. Prepare design drawings for removal of gas lines connected to washers/dryers and kitchen stoves in the first floors
 - 5. Prepare design drawings for installation of secondary gas lines from the meters to the risers in the pipe chases at min. 24 inches above the first floor slabs.
 - 6. Prepare for design drawing for installation of gas lines connected to washers/dryers and kitchen stoves in the first floors.
 - 7. Design for installation of earthquake seismic shut-off valve at each gas meter.
 - 8. Provide design detail for new openings for the crawl spaces
- D. Construction documents are to be prepared in AutoCAD version 14 or higher.
- E. Peer review, analysis, and evaluation of plans and specifications;
- F. Plan check submittal, and obtaining approval suitable for bidding and construction;
- G. Cost estimating;
- H. Change order analysis;
- I. Design and Construction administration, including but not limited to various sub-tasks:
 - 1. Attend two review-meetings with Owner's Representative during project design.
 - 2. Attend two bid-meetings with Owner's Representative, Contractors and Construction Management to review and evaluate the bid documents.
 - 3. During the construction phase, attend two construction meetings and provide meeting minutes and observation reports of the work for the first two months, and attend one construction meeting for each month thereafter. Therefore, the fee includes attendance and preparation of meeting minutes for 14 construction meetings during the estimated 1-year construction schedule. (The fee for construction meetings is specified in Attachment A).
 - 4. Coordinate inspection activities with hazardous material removal consultants;
 - 5. At specified construction meetings, conduct inspections to verify that all phases of Contractor's work comply with project contract documents and manufacturer's specifications. Report any defective work to Owner;
 - 6. At specified construction meetings document, through issuance of reports, construction activities including all noted and corrected deficiencies observed;
 - 7. Consult with other Consultants and Owner's Representative; Conduct Final Inspection with Contractor and Owner's Representative to verify and

assure that all aspects of installation have been satisfactorily completed per contract documents, codes, and regulations; and provide Certifications;

8. Review change orders and consult with Owner's representatives; and
- J. Other engineering and design work related to, required for, or incidental to the performance of this contract, by the Consultant's own expert staff, or subconsultants, where required.

Section 4.2 Design Within Funding Limits

The Consultant will provide a cost estimate at the completion of Schematic Design, 75% Design Development, 50% Construction Documents and 90% Construction Documents (Plan Check submittal). At that time, if the scope of work proposed exceeds the planned construction budget, the Authority may either reduce the scope of work to fit the planned construction price through value engineering, with the assistance of the Consultant, or the Authority may increase the planned construction budget to construct the full scope of work.

Section 4.3 Standard of Care

The Consultant represents, covenants, and agrees that all of the services to be furnished by the Consultant under or pursuant to this Agreement, from the inception of this Agreement until the Project has been fully completed, shall be of a standard and quality that prevails among highly qualified and competent mechanical engineers engaged in mechanical engineering practice in the Southern California area under the same or similar circumstances involving the design and construction of a project having characteristics that are similar to the Project (including without limitation, public nature, comparable scope, quality and schedule ["Professional Standard"]). Consultant accepts the special relationship of trust and confidence established between it and Authority by this Agreement. Consultant covenants to design the Project and produce the necessary Construction Documents, and to further the interests of Authority in accordance with Authority's requirements and procedures, in accordance with the Professional Standard and in compliance with all applicable restrictions, laws, codes, and regulations in effect throughout the period that Consultant is performing services under this Agreement.

The Consultant shall be responsible for the professional quality, technical accuracy, and the coordination of all designs, drawings, specifications, and other services furnished by the Consultant under this contract. The Consultant shall, without additional compensation, correct or revise any errors or deficiencies in its designs, drawings, specifications, and other services that do not meet the Professional Standard.

Section 4.4 Reproduction of Final Documents

The Consultant shall cause two (2) sets of blueprints, specifications, estimates, etc. to be provided to the Authority at all submittal phases including such sets as may be required for plan check agencies and one (1) complete set of approved, reproducible

construction documents to be delivered for construction solicitation purposes. The cost of reproducing these documents is included in the Consultant's basic fee.

Section 4.5 Changes Required

The Consultant shall promptly make all changes in the construction solicitation documents necessary to obtain approval of the agencies having jurisdiction for construction, services, and occupancy without additional compensation or reimbursement. The Consultant shall make all reasonably requested changes in the drawings and specifications based upon Authority's review of the progress submittals.

Section 4.6 Project Schedule

Consultant shall work in accordance with the Project Schedule established in the Notice to Proceed under this Agreement.

Section 5.0 Consultant's Personnel and Subconsultants

The Consultant's employees identified below are considered essential to the contract work effort. Prior to diverting or substituting any of the specified individuals, the Consultant shall notify the Contracting Officer reasonably in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on the contract. The Consultant shall make no diversion or substitution of key personnel without the prior written consent of the Contracting Officer.

Employees:

1. Quang Vu, P.E. Principal
2. Bryan Q. Tran, P.E. Mechanical Project Manager
3. Peter Liu, P.E. Structural Engineer
4. Thomas Tseng, Mechanical Designer
5. Kiet Nguyen, Mechanical Designer
6. Thuan Pham, Structural Designer

Section 5.1 Independent Consultant

The Consultant shall perform the services as contained herein as an independent consultant and shall not be considered an employee of the Authority or under Authority supervision or control. This Agreement is by and between the Consultant and the Authority, and is not intended, and shall not be construed, to create the relationship of agent, employee, or joint venture, between the Authority and the Consultant.

The Consultant agrees that any claims, liability, damage, or lawsuits resulting from its negligence, including items that are not in compliance with federal, state, or local codes, regulations and laws, will be the sole responsibility of the Consultant.

If the Consultant is comprised of more than one legal entity, each such entity shall be jointly and severally liable and responsible hereunder.

Section 5.2 Successor and Assignment

The services as contained herein are to be rendered by the Consultant whose name is as appears first above written and said Consultant shall not assign nor transfer any interest in this Agreement without the prior written consent of the Authority. However, the Authority reserves the right to assign this Agreement to another public agency without the consent of the Consultant.

Section 5.3 Employees of Consultant

Workers' Compensation: Consultant understands and agrees that all persons furnishing services to the Authority pursuant to this Agreement are, for the purpose of workers' compensation liability, employees solely of Consultant. Consultant shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the Authority under this Agreement.

Professional Conduct: The Authority does not and will not condone any act, gestures, comments or conduct from the Consultant's employees, agents or subconsultants which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The Authority will properly investigate all charges of harassment by residents, employees or agents of the Authority against any and all Consultant's employees, agents or subconsultants providing services for the Authority. The Consultant assumes all liability for the actions of the Consultant's employees, agents or subconsultants and is responsible for taking appropriate action after the Consultant receives reports of harassment.

Section 5.4 Subcontracting

The Consultant may subcontract only those specific portions of work allowed in the original specifications covered by this Agreement. The Consultant shall not subcontract any part of work covered by this Agreement or permit subcontracted work to be further subcontracted without prior written approval by the Authority.

Section 6.0 Responsibilities of the Authority

- a. The Authority shall provide all necessary information regarding its requirements as expeditiously as necessary for the orderly progress of the work.
- b. The Authority shall designate the representative authorized to act in its behalf with respect to the Project. The Authority or its representative shall examine documents submitted by the Consultant and shall promptly render decisions pertaining thereto to avoid unreasonable delay in the progress of the Consultant's Work.

- c. The Authority's designated representative authorized to act in its behalf with respect to the Project shall be:

Maria Badrakhan, Director
Housing Management Division
2 Coral Circle
Monterey Park, 91755

- d. The Authority's representative shall examine documents submitted by the Consultant and shall promptly render decisions pertaining thereto to avoid unreasonable delay in the progress of the Consultant's Work.
- e. The Authority shall provide the Consultant with any plans, publications, reports, statistics, records or other data or information pertinent to the services to be provided hereunder which are reasonably available to the Commission. However, their accuracy cannot be guaranteed. These drawings, plans, publications, reports, statistics, records or other data or information supplied by the Authority are the proprietary and confidential property of the Authority and cannot be transferred or used by the Consultant for any other purpose. The Consultant agrees to safeguard and return this property to the Authority upon completion of the project.
- f. The Authority shall also work with the Consultant to discover existing site conditions that may affect the order, progress, and cost of the work.
- g. The Authority shall provide information on any previously obtained waivers of local codes, ordinances, or regulations or standards affecting the design of the Project.

Section 7.0 Release of News Information

No news releases, including photographs, public announcements or confirmation of same, of any part of the subject matter of this Agreement or any phase of any program hereunder shall be made without prior written approval of the Authority's Executive Director or designee.

Section 8.0 Confidentiality of Reports

The Consultant shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Authority.

Section 9.0 Compensation; Contract Type and Payment – not-to-exceed

The Consultant shall be paid as full compensation for the work required, performed, and accepted under this Agreement, inclusive of all costs and expenses, the maximum, not-

to-exceed price of \$66,000.00 as per the rates described in the Breakdown Fee Schedule, Attachment A, attached hereto and incorporated herein. These amounts include the cost of all services including those of the subconsultants identified in Section 5.0, above. Additionally, any contract amendment or combination of amendments that might result in a total adjusted contract sum of Fifty Thousand Dollars (\$50,000) or above per calendar year must first be approved by the Board of Commissioners of the Authority.

SECTION 10.0 Compensation Adjustments

There shall be no adjustments to compensation except as authorized by amendment as specified in Section 40.0, Amendments. Changes in compensation shall only be adjusted by amendment as a result of changes in the Scope of Work. All costs of the Work and other costs, fees, or expenses, of any kind, in excess of the compensation as specified in this Agreement, and as adjusted by amendment, shall be borne solely by Consultant, without reimbursement by Authority.

SECTION 11.0 Notice to Proceed

The Consultant will perform services for each phase upon receipt of a written Notice to Proceed from the Authority. The Consultant will only perform the scope of work for the phase(s) identified in the Notice to Proceed.

Section 12.0 Payment Schedule

The Consultant shall submit invoices for compensation for each phase of the scope of services, in a format approved by the Authority, depicting a detailed, itemized list of actual work completed and total amount due, on a monthly basis. Said compensation shall be considered full and complete reimbursement for all of the Consultant's costs associated with the services provided hereunder, including all indirect costs, overhead, and insurance premiums.

Consultant shall have no claim against the Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Consultant after the expiration or other termination of this Agreement. Should Consultant receive any such payment, it shall immediately notify the Authority and shall immediately repay all such funds to the Authority. Payment by the Authority for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the Authority's right to recover such payment from Consultant.

Section 13.0 Source and Appropriation of Funds

The Authority's obligation is payable only and solely from funds appropriated through the United States Department of Housing and Urban Development (HUD) and for the purpose of this Agreement. All funds are appropriated every fiscal year beginning July 1. In the event this Agreement extends into the succeeding fiscal year and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the current fiscal year. The Authority will endeavor to notify the Consultant in writing within

ten (10) days of receipt of non-appropriation notice. Consultant shall be entitled to payment for all work completed through date of receipt of said notice.

Section 14.0 Conflict of Interest

The Consultant represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any Agreement, subcontract or arrangement with the Authority. Upon execution of this Agreement and during its term, as appropriate, the Consultant shall, upon written request, disclose in writing to the Authority any other contractual or employment arrangement from which it receives compensation. The Consultant agrees not to accept any employment during the term of this Agreement by any other person, business or corporation which employment will or may likely develop a conflict of interest between Authority's interests and the interest of third parties.

Section 15.0 Authority Ownership of Documents

All drawings and specifications prepared and furnished by the Consultant shall become the property of the Authority upon their approval in writing by the Authority or upon the prior termination of the Consultant's services hereunder, and the Consultant shall have no claim of any kind, including without limitation, for further employment or additional compensation as a result of exercise by the Authority of its full rights of ownership and use of these documents and materials. The Consultant shall retain a record copy for its own files.

Section 16.0 Indemnification

Consultant shall indemnify, defend and hold harmless the Housing Authority of the County of Los Angeles ("Housing Authority"), the Community Development Commission of the County of Los Angeles ("Commission"), the County of Los Angeles ("County") and their elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Consultant's acts and/or omissions arising from and/or relating to this Agreement.

Section 17.0 Insurance

The Consultant shall procure and maintain at Consultant's expense for the duration of this Agreement the following insurance against which may arise from or in connection with the performance of the work by the consultant, its agents, representatives, employees or subconsultants, from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval in writing by Commission.

The Consultant shall furnish the Authority with certificates of insurance and with original endorsements affecting coverage as required herein and which reflect the Authority, Housing Authority, and County's status as additional insureds as required below. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

The Housing Authority, the Commission, the County, their officials, agents, and employees shall be covered as additional insureds with respect to: liability arising out of activities performed by or on behalf of the consultant; products and completed operations of the consultant; premises owned, leased or used by the consultant.

- B. PROFESSIONAL LIABILITY INSURANCE (errors and omissions) in an amount not less than One Million Dollars (\$1,000,000) aggregate per claim.
- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than One Million Dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned," "hired" and "non-owned" vehicles, or coverage for "any auto."
- D. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing workers' compensation benefits, as required by the Labor Code of the State of California.

In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-policy limit	\$1,000,000
Disease-each employee	\$1,000,000

Any self-insurance program and self-insured retention must be separately approved by the Commission.

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party, except after thirty (30) days' prior written notice to the Authority, and shall be primary and not contributing to any other insurance or self-insurance maintained by the Authority.

All coverage for subconsultants shall be subject to the requirements stated herein and shall be maintained at no expense to the Authority.

Failure on the part of the Firm to procure or maintain insurance required by this Agreement shall constitute a material breach of contract upon which the Commission may immediately terminate this Agreement.

Section 18.0 Compliance with Laws

The Consultant agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Agreement is in excess of \$100,000 then Consultant shall comply with applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 18579(h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Consultant must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

During the performance of the Agreement, the Consultant agrees to comply with the following federal provisions:

Executive Order 11246 and 11375 Equal Opportunity (Non-Discrimination in Employment by Government Consultants, Subconsultants, and Consultants)

During the performance of this Agreement, the Consultant agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, color or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, religion, sex, color or national origin. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for

employment, notices to be provided by the Consultant setting forth the provisions of this non-discrimination clause.

The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Consultant will send to each labor union or representative of workers with which it has a collective bargaining Agreement or other Agreement or understanding, a notice, which is to be provided to the agency contracting officer, advising the labor union or worker's representative of the Consultant's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Consultant will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Consultant will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. In the event of the Consultant's noncompliance with the nondiscrimination clauses of the Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order, and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Consultant will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subconsultant or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Consultant becomes involved in, or is threatened with litigation with a subconsultant or vendor as result of such direction by the contracting agency, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

Under Title VI of the Civil Rights Act of 1964, and Section 109 of the Housing and Community Development Act of 1974, no person shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 19.0 Suspension and Termination

Section 19.1 Suspension

- 19.1.1 The Authority, at its convenience, and without further liability except as herein specified, may suspend this Agreement, in whole or in part, by written notice personally delivered to Consultant specifying the effective date and extent of the suspension.
- 19.1.2 Consultant shall immediately discontinue all services unless otherwise indicated by Contacting Officer.
- 19.1.3 Upon request of Contracting Officer, Consultant shall surrender within ten (10) days from receipt of said notice, all drawings, designs, specifications, notes, data, reports, estimates, summaries, or other information relative to the Project, whether complete or in progress, as may have been accumulated by Consultant.
- 19.1.4 In the event the entire Agreement is suspended, the Authority shall pay Consultant reasonable demobilization expenses subject to Authority's rights of set-off, recoupment and withholding. Demobilization expenses are expenses directly attributable to temporarily suspending the work in progress, including the reasonable cost of suspending any commitments for services not yet complete. The Authority shall not be liable for demobilization expenses if only a portion of the Agreement is suspended.
- 19.1.5 In the event the entire Agreement is suspended and Consultant is directed to remobilize within one calendar year of the effective date of the suspension, the Authority shall pay remobilization expenses directly attributable to restarting services hereunder and, at Consultant's option, Consultant and Authority shall negotiate Consultant's fees for services remaining under this Agreement. If no agreement as to expenses and fees can be reached, this Agreement may be terminated for the Authority's convenience.
- 19.1.6 In the event the entire Agreement is suspended and the period of suspension exceeds one calendar year, this Agreement may be deemed terminated for the convenience of Authority upon written notice to the Consultant.

Section 19.2 Termination for Convenience of the Authority

- a. The Authority reserves the right to cancel this Agreement in whole or in part for any reason at all upon ten (10) days' prior written notice to Consultant. In the event of such termination, Consultant shall be entitled to a prorated portion paid for all

satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination. In no case shall payment exceed that amount stipulated elsewhere herein for completion of the respective portion or phase of the project. The Authority will pay Consultant termination expenses subject to the Authority's rights of recoupment, set-off and withholding.

- b. Consultant shall surrender and deliver to the Contracting Officer, to the extent requested by Contracting Officer, within ten (10) days from receipt of said request all data, reports, estimates, summaries, designs, drawings, specifications, notes, and other work and data developed in the performance of this Agreement, whether complete or in process, as may have been accumulated by Consultant.
- c. The Authority may take over the work and services, and prosecute the same to completion by contract or otherwise. Consultant shall not be liable to Authority for any excess costs incurred by Authority in completing the scope of work of this Agreement.
- d. Consultant shall assign the contracts of its consultants and/or their subconsultants to Authority, to the extent requested by the Contracting Officer.

Section 19.3 Termination for Cause and / or Default

This Agreement may be terminated by the Authority upon ten (10) days' written notice to the Consultant for cause and/or default (failure to perform satisfactorily any of the Agreement terms, conditions and work items) with no penalties incurred upon termination or upon the occurrence of any of the following events:

- A. Continuing failure of the Consultant to perform any work required to be performed hereunder in a timely and professional manner, or Consultant is not properly carrying out the provisions of the Agreement in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Consultant; and should the Consultant neglect or refuse to provide a means for a satisfactory compliance with this Agreement and with the direction of the Authority within the time specified in such notices, the Authority shall have the power to suspend the performance of this Agreement by Consultant in whole or in part.
- B. Should the Consultant fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Agreement, or if the work to be done under this Agreement is abandoned for more than five (5) days by the Consultant, then notice of deficiency thereof in writing may be served upon Consultant by the Authority. Should the Consultant fail to comply with the terms of this Agreement within five (5) days thereafter, upon receipt of said written notice of deficiency, the Executive Director of Authority shall have the power to suspend or terminate the operations of the Consultant in whole or in part.

- C. Failure on the part of the Consultant to procure or maintain insurance required by this Agreement shall constitute a material breach of Agreement upon which the Authority may immediately terminate this Agreement.
- D. In the event that a petition of bankruptcy shall be filed by or against the Consultant.
- E. If, through any cause, the Consultant shall fail to fulfill in timely and proper manner the obligations under this Agreement, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Agreement, the Authority shall thereupon have the right to terminate this Agreement by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, with respect to all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant under this Agreement, Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed, subject to the Authority's rights of recoupment, cut-off, and withholding.

Section 19.4 Termination for Improper Consideration

The Authority may, by written notice to Consultant, immediately terminate the right of Consultant to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Consultant, either directly or through an intermediary, to any Authority officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Consultant's performance pursuant to the Agreement. In the event of such termination, the Authority shall be entitled to pursue the same remedies against Consultant as it could pursue in the event of termination for cause and / or default by the Consultant.

Consultant shall immediately report any attempt by a Authority officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director of the Authority.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

Section 19.5 Consultant Responsibility and Debarment

A responsible Consultant is a Consultant who has demonstrated the attribute of trustworthiness, as well as fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Authority to conduct business only with responsible consultants.

The Consultant is hereby notified that, if the Authority acquires information concerning the performance of the Consultant on this or other contracts which indicated that the Consultant is not responsible, the Authority may, in addition to other remedies provided in the contract, debar the Consultant from bidding on Authority contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts the Consultant may have with the Authority.

The Authority may debar a consultant if the Board of Commissioners finds, in its discretion, that the Consultant has done any of the following: (1) violated any term of a contract with the Authority, (2) committed any act or omission which negatively reflects on the Consultant's quality, fitness or capacity to perform a contract with the Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the Commission or the Housing Authority or any other public entity.

If there is evidence that the Consultant may be subject to debarment, the Authority will notify the Consultant in writing of the evidence, which is the basis for the proposed debarment and will advise the Consultant of the scheduled date for a debarment hearing before the Consultant Hearing Board.

The Consultant hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Consultant and/or the Consultant's representative shall be given an opportunity to submit evidence at the hearing. After the hearing, the Consultant Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the consultant should be debarred, and, if so, the appropriate length of time of the debarment. If the Consultant fails to avail itself of the opportunity to submit evidence to the Consultant Hearing Board, the Consultant may be deemed to have waived all rights of appeal.

A record of the hearing, the proposed decision and any other recommendation of the Consultant hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board. These terms shall also apply to subconsultants of the Consultant.

Section 20.0 Remedies

- a. The rights and remedies of the Authority provided for under this contract are in addition to any other rights and remedies provided by law.
- b. Authority may assert, either during or after performance of this Agreement any right of recovery it may have against Consultant by any means it deems appropriate including, but not limited to, set-off, action at law, withholding, recoupment, or counterclaim.
- c. The rights and remedies of the Authority under this Agreement are in addition to any right or remedy provided by California law.

SECTION 21.0 Compliance with Jury Service Program

Unless Consultant has demonstrated to the Authority's satisfaction either that Consultant is not a "Consultant" as defined under the Jury Service Program or that Consultant qualifies for an exception to the Jury Service Program, Consultant shall have and adhere to a written policy that provides that its employees shall receive from the Consultant, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Consultant or that the Consultant deduct from the employee's regular pay the fees received for jury service.

For purposes of this Section, "Consultant" means a person, partnership, corporation or other entity which has a contract with the Authority or a subcontract with a Authority Consultant and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Consultant. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Authority, or 2) Consultant has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Consultant uses any subconsultant to perform services for the Authority under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

If Consultant is not required to comply with the Jury Service Program when the Contract commences, Consultant shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Consultant shall immediately notify Authority if Consultant at any time either comes within the Jury Service Program's definition of "Consultant" or if Consultant no longer qualifies for an exception to the Program. In either event, Consultant shall immediately implement a written policy consistent with the Jury Service Program. The Authority may also require, at any time during the Contract and at its sole discretion, that Consultant demonstrate to the Commission's satisfaction that Consultant either continues to remain outside of the Jury Service Program's definition of "Consultant" and/or that Consultant continues to qualify for an exception to the Program.

Consultant's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, Authority may, in its sole discretion, terminate the Contract and/or bar Consultant from the award of future Authority contracts for a period of time consistent with the seriousness of the breach.

Section 22.0 Certification Regarding Lobbying

Consultant is prohibited by the Department of the Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 Code of the Federal Regulations (CFR) 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal agreement, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification of said documents.

The Consultant must certify in writing that it is familiar with the Federal Lobbyist Requirements and that all persons and/or subconsultants acting on behalf of the Consultant will comply with the Lobbyist Requirements. The signed County and Federal Lobbyist Certifications submitted with the Agreement are incorporated herein.

Failure on the part of the Consultant or persons/subconsultants acting on behalf of the Consultant to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

Section 23.0 Safety Standards and Accident Prevention

The Consultant shall comply with applicable Federal, state and local laws governing safety, health and sanitation. The Consultant shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Agreement.

Section 24.0 Drug Free Workplace Act of the State of California

The Consultant certifies under penalty of perjury under the laws of the State of California that the Consultant will comply with the requirements of the Drug-Free Workplace Act of 1990.

Section 25.0 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

Section 26.0 Interpretation

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be construed as if it were drafted by both parties hereto.

Section 27.0 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach of the same or any other provision hereof.

Neither the Authority's review, approval or acceptance of, nor payment for, the services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and the Consultant shall be and remain liable to the Authority in accordance with applicable law for all damages to the Commission caused by the Consultant's negligent performance of any of the services furnished under this Agreement.

Section 28.0 Authority's Quality Assurance Plan

The Authority or its agent will evaluate Consultant's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Consultant's compliance with all Agreement terms and performance standards. Consultant deficiencies which Authority determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Authority and Consultant. If improvement does not occur consistent with the corrective action measures, Authority may terminate this Agreement or impose other penalties as specified in the Agreement.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Agreement to evaluate the performance of the Consultant. Based on the assessment of the performance review, as determined by the Commission in its sole discretion, written notification will be given to the Consultant whether this Agreement will be terminated at the end of the current year or will be continued into the next Agreement year.

Section 29.0 Agreement Evaluation and Review

The ongoing assessment and monitoring of this Agreement is the responsibility of the Authority's Contracting Officer or designee.

Section 30.0 Adherence to Authority's Child Support Compliance Program

Consultant acknowledges that Authority has established a goal of ensuring that all individuals who benefit financially from the Authority through this Agreement are in compliance with their court-ordered child, family and spousal obligations in order to mitigate the economic burden otherwise imposed upon taxpayers of the County.

As required by Authority's Child Support Compliance Program and without limiting Consultant's duty under this Agreement to comply with all applicable provisions of law, Consultant warrants that it is now in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wages and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

Termination for Breach of Warranty to Maintain Compliance with Authority's Child Support Compliance Program

Failure of Consultant to maintain compliance with the requirements set forth in Section 30.0 "Adherence to Authority's Child Support Compliance Program" shall constitute a default by Consultant under this Agreement. Without limiting the rights and remedies available to the Authority under any other provision of the Agreement, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the Authority's Board of Commissioners may terminate this Agreement.

Post L.A.'s Most Wanted Parents List

Consultant acknowledges that Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Consultant understands that it is Authority's policy to encourage all Authority consultants to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Consultant's place of business. District Attorney will supply Consultant with the poster to be used.

Section 31.0 Access and Retention of Records

Consultant shall provide access to the Authority, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Consultant which are directly pertinent to the specific Agreement for the purpose of making audits, examinations, excerpts and transcriptions. The Consultant is required to retain the aforementioned records for a period of five (5) years after the Authority pays final payment and other pending matters are closed under this Agreement.

Section 32.0 Copyright

No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Consultant. All documents become the property of the Authority and the Authority holds all the rights to said data. The Consultant assumes no responsibility for the use of documents in whole or in part in connection with work that is outside the scope of this Agreement.

Section 33.0 Patent Rights

The Authority will hold all the patent rights with respect to any discovery or invention that arises or is developed in the course of, or under this Agreement.

Section 34.0 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Consultant agrees to use recycled-content paper to the maximum extent possible on the project.

Section 35.0 Notices

Notices herein shall be presented in person or by certified or registered U.S. mail as follows:

Consultant: Dahl, Taylor & Associates, Inc.
Mechanical Engineers
2960 Daimler Street
Santa Ana, CA 92705-5824

Authority: Maria Badrakhan, Director
Housing Management Division
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755-7425

Section 36.0 Federal Earned Income Credit

Consultant shall notify its employees, and shall require each subconsultant to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

Section 37.0

Greater Avenues for Independence (GAIN)

This contract is subject to the requirements of the Greater Avenues for Independence (GAIN) program implemented by the County of Los Angeles. Should the Consultant require additional or replacement personnel after the effective date of the Agreement, it will interview for such employment openings participants in GAIN Program who meet the firm's minimum qualifications for the open position. The County will refer GAIN participants by job category to the Consultant. In the event that both laid-off County employees and GAIN participants are available for hiring, County employees will be given first priority.

Section 38.0 Safely Surrendered Baby Law

The Consultant shall notify and provide to its employees, and shall require each subconsultant to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org.

The Consultant acknowledges that the Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Consultant understands that it is the Authority's policy to encourage all Authority Consultants to voluntarily post the Authority's "Safely Surrendered Baby Law" poster in a prominent position at the Consultant's place of business. The Consultant will also encourage its Subconsultants, if any, to post this poster in a prominent position in the subconsultant's place of business. The Consultant and its subconsultants can obtain posters from the Department of Children and Family Services of the County of Los Angeles.

Section 40.0 Amendments

This Agreement may be modified by written amendment, duly executed by both parties.

Section 41.0 Entire Agreement

This Agreement, including the attachments listed below consists of **29** pages, constitutes the entire understanding and agreement of the parties. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the retention of the Consultant by the Authority and contains all the covenants and agreements between the parties with respect to such retention.

- A. Billing Rates
- B. Safely Surrendered Baby Law and Poster

Signature page

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first written above.

HOUSING AUTHORITY

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES, A
BODY CORPORATE AND POLITIC

BY:

CARLOS JACKSON

Title: Executive Director

Date:

APPROVED AS TO PROGRAM:

Maria Badrakhan

MARIA BADRAKHAN

Title: CONTRACTING OFFICER

Date: 6/10/04

APPROVED AS TO FORM
Office of County Counsel

By:

Deputy

CORPORATE SEAL

CONSULTANT

DAHL, TAYLOR & ASSOCIATES, INC.

License Number M-31416,
Expires September 30, 2004

BY: BRYAN Q. TRAN, P.E.

Title: PROJECT MECHANICAL ENGINEER

Date:

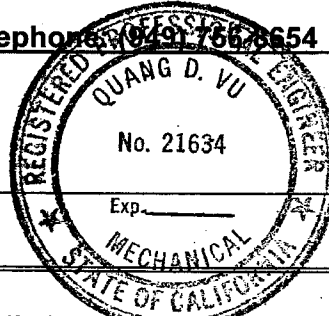
June 8th, 2004

BUSINESS ADDRESS

2960 Daimler Street

Santa Ana, CA 92705

Telephone: (949) 766-8654



- If sole proprietor, the signature of sole proprietor.
- If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

Attachment A – billing rates for consultant services

1. Fee Schedule: "Not-to-Exceed" Fee based upon the following:

- Engineering Design Base Fee (*)----- \$ 53,000.00
- Reimbursable Fee:----- \$ 5,400.00
- Construction Meetings and Reports Fee(**)----- \$ 7,600.00

- Total "Not-to-Exceed" Fee:----- \$ 66,000.00

(*) Design Base Fee is calculated from the date of Contract Agreement to date of "Notice-to-Proceed" for construction plus 2 construction meetings in each of the first two months. During the design phase (Contract Agreement to Notice-to-Proceed), the number of meeting is addressed in the scope of work.

(**) Construction Meetings and Reports Fee is based on \$760.00 per meeting including travel, mileage, report writing and 3-hrs site meeting. A 12-month construction schedule is estimated. Two meetings for the first two months are included in the Design Base Fee. There will be one meeting for every month after that.

2. Consultant's Billing Rates:

- Principal ----- \$145.00
- Project Manager ----- \$105.00
- Licensed Mechanical Engineer----- \$ 95.00
- Licensed Structural Engineer ----- \$105.00
- Design Engineer ----- \$ 85.00
- Drafter ----- \$ 70.00
- Clerical ----- \$ 60.00

No shame.

No blame.

No names.

**Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.**



In Los Angeles County:

1-877-BABY SAFE

1-877-222-9723

www.babysafela.org



State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director



Los Angeles County Board of Supervisors
Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

June 23, 2004

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE RESOLUTION TO MERGE AND AMEND THE HOUSING AUTHORITY
AND COMMUNITY DEVELOPMENT COMMISSION PENSION PLANS
(ALL DISTRICTS)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners recognize the nine employees of the Housing Authority as employees of the Community Development Commission, effective June 30, 2004; and adopt and instruct the Chairman to sign a Resolution authorizing the merger of the California Public Employees' Retirement System (CalPERS) pension plan of the Housing Authority with the CalPERS pension plan of the Community Development Commission, effective July 1, 2004.
2. Recommend that the Board of Commissioners instruct the Chairman to sign, upon presentation, a Resolution of Intention and a Final Resolution to merge the CalPERS pension plans of the Commission and Housing Authority, and increase from \$500 to \$5,000 the lump-sum retiree death benefit awarded to the beneficiary or estate of a retiree.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Effective July 1, 2004, CalPERS intends to establish a mandatory risk pool of public agencies with less than 100 members, which would include the Housing Authority. Housing Authority plan assets would be used to fund benefits of other public agencies under this system. The merger of the Housing Authority and Commission plans will secure the existing assets the Housing Authority has under CalPERS.

The increase in the retiree death benefit from \$500 to \$5,000 will provide adequate financial assistance to the families of deceased retirees and provide a benefit comparable to the County and other public agencies.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The additional cost to the Commission of providing health and other benefits to the Housing Authority's nine employees and 32 retirees is estimated to be \$19,000 for the 2004 calendar year. Future employee and retiree benefit costs associated with the merger will be based upon health insurance rates, which are determined annually.

The reserves retained by merging the Housing Authority and Commission employees and pension plans will be used to pay the annual CalPERS fees, providing an overall savings of approximately \$1.5 million for Fiscal Year 2004-2005 and \$1.7 million for Fiscal Year 2005-2006.

The estimated annual cost to provide the \$5,000 death benefit is \$48,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

In 1982, the Board established the Community Development Commission, which included Housing Authority operations. At that time, employees of the Housing Authority were given the option to convert to Commission employees, or remain Housing Authority employees and retain existing pension benefits. The majority of Housing Authority employees converted to Commission employment, however, a small group of employees elected to retain their status as Housing Authority employees, represented by the American Federation of State, County, and Municipal Employees (AFSCME).

In 1992, the Housing Authority employees decertified the AFSCME and have represented themselves in negotiating compensation terms through a Memorandum of Understanding (MOU), which expired on June 2, 2004. Over the years the Housing Authority employee population has decreased due to attrition or retirement, leaving only

nine employees and 32 retirees as of today. With the exception of these nine Housing Authority employees, Commission employees perform all Housing Authority functions.

In March 2004, CalPERS notified the Commission that, as early as July 1, 2004, the Housing Authority's pension plan will be rolled into a risk pool with other CalPERS agencies with less than 100 employees. This is a mandated risk pool with no opportunity to pull out in the future. This move will pool assets and liabilities across employers, meaning the assets of the Housing Authority will subsidize the benefits of all members in the CalPERS risk pool system. As of June 30, 2002, the latest actuarial valuation performed by CalPERS, the Housing Authority pension fund has, as a result of contributions and investment returns since 1962, approximately \$19 million in excess assets that would be used to subsidize other agencies under the risk pool system.

Merging the pension plans of the Housing Authority and Commission will preserve these assets, which will be used to fund the required employer contribution for all Commission employees for several years, subject to investment gains and losses realized by the CalPERS funds, as well as changes in actuarial assumptions.

In order to preserve these assets, the nine remaining Housing Authority employees have voted to convert their employment status from the Housing Authority to the Commission effective June 30, 2004, and will be covered by Commission benefits effective July 1, 2004. Negotiations with the nine Housing Authority employees consisted of providing continuing service credit for prior years of service and comparable health and pension benefits under their current MOU. In addition, the merger process will complete full conversion of the two personnel systems.

The Commission will continue to make a contribution towards the purchase of medical insurance for the 32 retirees. Since the retirees will not remain in the CalPERS medical program, the Commission will secure medical insurance coverage. The Commission will increase the monthly contribution for the purchase of medical insurance to offset any plan changes.

Amending the pension contract by increasing the death benefit from \$500 to \$5,000 takes into consideration the current cost of burial and funeral services. The County has had a similar benefit in place since June 2, 2002.

Merging pension plans and amending the death benefit requires a contract amendment with CalPERS which will take place after the merger of July 1, 2004. Resolutions authorizing the changes will be presented to the Chairman for execution.

This letter has been reviewed by the Chief Administrative Office. The resolutions were prepared by special counsel and have been approved as to form by County Counsel. .

IMPACT ON CURRENT PROGRAMS:

The recommended actions will secure the Housing Authority's excess assets in CalPERS and will provide pension plan funding for the Commission.

Respectfully submitted:


for CARLOS JACKSON
Executive Director

CJ:MH:ha_cdc_merger 6-14-04

Attachments: (2)

**RESOLUTION BY THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES,
WHOSE FUNCTIONS SHALL BE PERFORMED BY THE COMMUNITY DEVELOPMENT
COMMISSION OF THE COUNTY OF LOS ANGELES**

WHEREAS, all current employees of the Housing Authority of the County of Los Angeles (Housing Authority) participate in the California Public Employees' Retirement System (CalPERS) for retirement benefits under contract employer number 0468; and

WHEREAS, all current employees of the Community Development Commission of the County of Los Angeles (CDC) participate in CalPERS for retirement benefits under contract employer number 1335; and

WHEREAS, the CDC performs the functions of the Housing Authority except as a receptacle for federal funding;

WHEREAS, the functions of the Housing Authority are performed, and have been assumed by, the CDC;

WHEREAS, the same retirement benefits are provided to all current Housing Authority and CDC employees; and

WHEREAS, all current Housing Authority employees shall become CDC employees as of June 30, 2004;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the County of Los Angeles, by the vote described below, hereby confirms its determination of the above recitals, and declares that CalPERS retirement contracts for Housing Authority employees (employer number 0468) and CDC employees (employer number 1335) shall be merged into one contract;

BE IT FURTHER RESOLVED, that the two CalPERS retirement contracts shall be merged into one contract effective July 1, 2004.

This resolution was adopted by the Board of Commissioners of the Housing Authority of the County of Los Angeles, Los Angeles County, California, at a regular meeting of the Board held on the 29th day of June 2004 by the following vote:

AYES: _____
NOES: _____
ABSENT: _____

Chairman, Board of Commissioners
Housing Authority of the County of Los Angeles

Attest:

Clerk, Board of Commissioners
Housing Authority of the County of Los Angeles

APPROVED AS TO FORM

County Counsel

BY
DEPUTY

**RESOLUTION BY THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES,
WHOSE FUNCTIONS SHALL BE PERFORMED BY THE COMMUNITY DEVELOPMENT
COMMISSION OF THE COUNTY OF LOS ANGELES**

WHEREAS, all current employees of the Housing Authority of the County of Los Angeles (Housing Authority) participate in the California Public Employees' Retirement System (CalPERS) for retirement benefits under contract employer number 0468; and

WHEREAS, all current employees of the Community Development Commission of the County of Los Angeles (CDC) participate in CalPERS for retirement benefits under contract employer number 1335; and

WHEREAS, the CDC performs the functions of the Housing Authority except as a receptacle for federal funding;

WHEREAS, the functions of the Housing Authority are performed, and have been assumed by, the CDC;

WHEREAS, the same retirement benefits are provided to all current Housing Authority and CDC employees; and

WHEREAS, all current Housing Authority employees shall become CDC employees as of June 30, 2004;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the County of Los Angeles, by the vote described below, hereby confirms its determination of the above recitals, and declares that CalPERS retirement contracts for Housing Authority employees (employer number 0468) and CDC employees (employer number 1335) shall be merged into one contract;

BE IT FURTHER RESOLVED, that the two CalPERS retirement contracts shall be merged into one contract effective July 1, 2004.

This resolution was adopted by the Board of Commissioners of the Housing Authority of the County of Los Angeles, Los Angeles County, California, at a regular meeting of the Board held on the 29th day of June 2004 by the following vote:

AYES: _____
NOES: _____
ABSENT: _____

Chairman, Board of Commissioners
Housing Authority of the County of Los Angeles

Attest:

Clerk, Board of Commissioners
Housing Authority of the County of Los Angeles

APPROVED AS TO FORM

County Counsel

BY
DEPUTY



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • www.lacdc.org

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

June 23, 2004

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CHANGES TO THE ADMINISTRATIVE PLAN OF THE
HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
(ALL DISTRICTS)**

IT IS RECOMMENDED THAT YOUR COMMISSION:

Approve and authorize the Executive Director to implement changes to the Housing Authority's Administrative Plan, which will reduce Section 8 payments to landlords, change the method of determining rent reasonableness and increase fraud prevention measures, all of which are required due to a reduction in funding from the U.S. Department of Housing and Urban Development (HUD).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

On January 30, 2004 the Federal Fiscal Year 2004 Consolidated Appropriations Act was signed into law. The Act, which set the budgets for all federal agencies, including HUD, reduced funding to the Housing Authority's Section 8 program by approximately \$7.5 million for the 2003-2004 and 2004-2005 Fiscal Years combined. The recommended action is needed to meet this reduction in funding.

HUD requires that all housing authorities must adopt a written Administrative Plan that establishes local policies for the administration of the Section 8 Program. In addition, any changes to the Administrative Plan must be approved by the Housing Authority's governing body.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The changes to the Administrative Plan will allow the Housing Authority to realize the cost savings necessary to meet an approximate \$7.5 million reduction in funding from HUD.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On April 6, 2004 the Board approved the Housing Authority's current Administrative Plan. This plan encompasses the administration of the Section 8 program, including key areas such as maintenance of the waiting list, calculation and issuance of assistance, setting subsidy standards, inspection of assisted units, termination of assistance, handling of complaints, and the informal hearing process for resolving complaints.

In an effort to answer the reduction in Section 8 funding from HUD, the Housing Authority is proposing three changes to the approved Administrative Plan. The Housing Authority's primary concerns in implementing these changes are to minimize the impact on Section 8 families and to avoid canceling existing vouchers and contracts. The goal is to preserve the favorable reputation of the County program with Section 8 landlords and to assist as many families as possible.

First, the Housing Authority is proposing to change the payment standard from 110% of the fair market rent (FMR) to 100% of the FMR. By reducing the payment standard, the Housing Authority's monthly subsidy on behalf of the tenant is decreased. The rent to the landlords remains fixed. Because tenants must receive a one-year notice of this proposed change, it will take two years to fully implement. As a result of this change, tenants will be required to pay more of their income toward rent if their contract rents are higher than 100% of the FMR.

Second, the method by which the Housing Authority determines that a rent is reasonable will change. Currently, to determine if the rent for a unit is reasonable, the Housing Authority uses an average of the three highest rents of comparable units within a census tract. The Housing Authority will now use an average of all rents of comparable units within a census tract. This will decrease the Housing Authority's monthly Housing Assistance Payments and will only apply to new contracts.

Third, only the first \$480 of income earned by family members who are 18 years of age or older and attending college or a vocational school full-time is included in an assisted family's total income. The Housing Authority currently verifies full-time student status by requiring that the family provide a copy of the school registration, or a written letter from the school verifying the student's enrollment. To ensure individuals are full-time students and to control program fraud, the Housing Authority will also require that students provide a copy of their final grades to verify full-time student status.

Honorable Housing Commissioners

June 23, 2004

Page 3

The Housing Authority has scheduled several owner and tenant workshops to discuss the above changes to the Administrative Plan. The workshops will be held at various times and locations to accommodate the needs of both owners and tenants. Additionally, information regarding the recommended changes will be provided in the owner and tenant newsletters.

IMPACT ON CURRENT PROGRAMS:

The proposed changes to the Administrative Plan will allow for the efficient administration of the Section 8 program, in accordance with federal law and HUD requirements. Both tenants and landlords will share the financial impact of the proposed program changes, which are needed due to the reduction in funding from HUD.

Respectfully Submitted,

for Bobbette A. Glover
CARLOS JACKSON
Executive Director

CJ:Admin_Plan_Changes